Rebuilding Agricultural Markets Program (RAMP)
Afghanistan

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ACRONYMS

ACRONYMS	
ADB	Asian Development Bank
AED	Agriculture Extension Department
AFC	Afghanistan Finance Corporation
AIB	Afghanistan International Bank
The Fund	Afghanistan Renewal Fund
Chemonics	Chemonics International Inc.
COP	Chief of Party
CTO	Cognizant Technical Officer
CO	Contracting Officer
DCOP	Deputy Chief of Party
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GIS	Geographic Information System
GOA	Government of Afghanistan
GPS	Global Positioning System
GUI	Graphical User Interface
Ha	Hectare
IP	Implementing Partner
IR	Intermediate Result
IRA	Islamic Republic of Afghanistan
JO	Job Order
Km	Kilometer
Kg	Kilogram
LOP	Life of Project
M&E	Monitoring and Evaluation
MAAHF	Ministry of Agriculture, Animal Husbandry and Food
MEIS	Monitoring and Evaluation Information System
MISFA	Microfinance Investment Support Facility Afghanistan
MIWRE	Ministry of Irrigation and Water Resources
MOC	Ministry of Commerce
MOF	Ministry of Finance
MOU	Memorandum of Understanding
MRRD	Ministry of Rural Rehabilitation and Development
MT	Metric Ton
NGO	Non Governmental Organization
PASA	Participatory Agency Service Agreement
PMP	Performance Management Plan
PPSD	United Nations Partnerships for Private Sector Development
PRA	Participatory Rural Assessment
PRT	Provincial Reconstruction Team
RAMP	Rebuilding Agricultural Markets Program
SME	Small and Medium Enterprises
SO	Strategic Objective
UN	United Nations
UNDP	United Nations Development Program
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
VBSE	Village-Based Seed Enterprise
VFU	Veterinary Field Unit
WOCCU	World Council of Credit Unions

Executive Summary

The most serious event in RAMP operations this quarter was the murder of 11 project-related persons by anti-government terrorists. These actions aimed at stopping development activities in the south of Afghanistan. As a result RAMP was required to reassess and revise security practices and procedures of RAMP and it's Implementing Partners (IPs). This critical activity consumed substantial time and effort of RAMP management. One ramification of the resulting security readjustments was the transfer of some activities from the south to other areas of the country. In general however security related changes to RAMP implementation did not produce a diminished RAMP program. Most activities were continued in the south but under more stringent security guidelines while other activities were moved to less threatening locations. In sum, RAMP will deliver the same or more project output, as originally planned.

Significant Value Chain Developments
During this quarter the activities of the many implementing partners working in all areas of the value chain continue to show concrete results. The preliminary product exports have been received well and further orders have been made. As the marketing activities expand, and the quality of products is improved even more, it is certain that the export and local markets will increase accordingly.

Identifying Markets and Developing Market Systems
Significant progress has been made in identifying international markets for Afghan agricultural products. Successful trade missions to India, Kuwait, Russia and Ukraine have resulted in strong interest and firm commitments from importers within those countries, and other countries in the region. A few of the initial commitments include 80mt of grapes to Kuwait and up to 300mt to Bangladesh. Additionally, a shipment of 100mt of raisins was sent to Russia and another to Ukraine in late June. Each buyer has requested an additional 400mt by the end of the year. Several other potential exports will be finalized during the 3rd and 4th quarters. Roots of Peace is working with the Ministry of Commerce to advocate for policy reform in the trade agreement between Afghanistan and Pakistan, which would allow refrigerated shipping containers to pass through Pakistan into India.

RAMP implementing partners have been successful in assisting in establishment of farmer's associations and marketing groups for several crop types. Formation of associations provides a means for these organizations to acquire needed assets such as warehouses, processing plants and cold storage units that add value to the product, as well as for the associations to have a stronger influence in local and export markets.

Improving Value-added Processing
Extensive work has been done this quarter by IPs focusing on processing of fresh and dried fruit, nuts, vegetables, and other crops. During the quarter, crop-specific technical training has been provided in processing and quality control. Construction of warehouses, processing plants, and improved systems and facilities for drying raisins has been completed. An example is the vegetable dehydration plant by DWC which has produced more than 4mt of dried vegetables. Two nut processing plants are under construction in Kabul and Mazar, with a third plant to be started soon. A quality control laboratory is installed and operating, testing dried fruits and nuts for aflatoxin and other biological contaminants. These and other activities in value-added processing have contributed greatly to the success of the marketing effort, and in building confidence in the buyers and exporters.

Increasing On-farm Productivity
Activities to increase crop and farm productivity have targeted the whole range of production practices for crops and livestock included in the RAMP program. Demonstrations and training are the core mechanisms for increasing skills and knowledge. More than 400 field demonstrations of best practices have been established and are used as training sites for farmers. Twelve greenhouses have been constructed that increases the length of the growing season for vegetable crops during the spring and fall. The IPs are assisting many additional farmers to obtain credit and materials to build their own.

The livestock projects have been very successful in establishing 41 new veterinary field units, and more than 200 trained paravets. The more than 4 million vaccinations, medications and other veterinary services provided during this quarter have contributed greatly to the health of the livestock industry. The FAO women's rural poultry project has helped establish more than 200 new poultry producer groups, directly enhancing the lives of 13,000 rural women.

Wheat production, threatened by infestations of locust and Sunn pest, was protected from severe losses by a successful joint effort coordinated by FAO, the MAAHF and the Provincial Reconstruction Teams (PRTs). Input distribution and demonstrations of best practices resulted in several thousand additional hectares of wheat under cultivation.

Work is continuing on establishing alternative crops such as cumin and saffron as high value crops for the international market. Completed irrigation canals are providing adequate water to thousands of hectares of farmland.

Value Chain Support Functions

Rural Financial Services
A total of more than 18,500 micro loans have been disbursed through MISFA since start-up, a 24 percent increase over the expected of 15,000. During 2nd quarter the Small and Medium sized Enterprise (SMEs) partner institutions committed $1.8 million for loans and leases. The Business Mentoring Services pilot program was finalized, and a new IP, Flag International, will continue to provide business services to agribusinesses. This combination of micro, small and medium loans, and leases, combined with business advisory services, has proven to be a successful approach to expanding the agricultural business sector.

Farm to Market Roads and Other Infrastructure
Ninety kilometers of farm-to-market gravel roads were completed during 2nd quarter in six provinces. Warehouse style structures for processing fruit and nuts were completed or are under construction in four locations. Installation of 22 refrigeration units for fruits and vegetables has begun. These infrastructure activities will directly impact the quality of produce traveling from the farms to the markets and will increase the value of the crops.

Capacity Building for the Ministry of Agriculture and Food (MAAHF)
RAMP activities in this area began with substantial RAMP participation in and coordination of a larger donor program of MAAHF capacity-building. This work led to agreement on types and numbers of advisors to be provided by individual donors. The RAMP contribution in this plan is eight advisors in six different areas of ministry operations. Thus far four advisors have arrived, one is imminent, and the rest under recruitment. RAMP advisors already have made an impact on the direction of ministry reform and restructuring. The RAMP work has fully involved the minister himself either in the planning or approval of RAMP-provided advisor proposals and activities. Initial evidence is that this capacity-building effort will be of significant benefit to MAAHF.

Respectfully submitted,

Louis Faoro
Chief of Party

Management Reports

Infrastructure

Accomplishments this Reporting Period

Major irrigation and road projects were completed during the quarter in Nangarhar, Balkh and Kunduz Provinces and dedication ceremonies will be carried out during the coming quarter for handover of the works to provincial authorities. Rehabilitation of the Guzara and Injil canal systems in Herat Province proceeded at an increasingly rapid pace with: 1) the engagement of contractors for canal surveys and preparation of designs for clusters of structures, 2) the striking of an agreement with the Ministry of Culture for the replacement and repair of four aqueducts, and 3) the undertaking of topographic and foundation surveys at sites of the aqueducts. The transfer of work from Helmand/Kandahar and Kunar/Nuristan to the vicinities of Herat and Mazar-e-Sherif was accelerated because of a fatal security incident in Helmand Province the 17th of May. Fruit and nut warehouse processing facilities were under construction and completed at several sites and the installation of refrigeration units was started with the arrival of a team from Argentina.

With the cessation of work in Helmand and Kandahar Provinces, after the shooting incident of 17 May 2005 that took the lives of several RAMP/Chemonics employees, a security assessment was undertaken. Since the RAMP construction program had just a year left for completion, it was decided to accelerate the process of handing construction projects over to ALP, which had begun during the fall of 2004, in these two provinces and moving the budget north to the vicinity of Mazar-e-Sherif and west to Herat. The required paperwork, in the form of revised Decision Memoranda, had been forwarded to USAID for approval. As well, budget for work that was halted during CY 2004 in Nuristan and Kunar provinces had been redeployed west and north.

Construction activities have included the completion of some 90 kilometers of farm-to-market gravel roads during the quarter, in aggregate, in six provinces and irrigation and river works progressed for the improvement of irrigation and drainage for more than 100,000 hectares of irrigated lands largely in four provinces. Work started or was completed for the construction of warehouse style units for the processing of fruit and nuts at four locations, and a program for the installation of 22 refrigeration units was initiated since units were arriving in country.

Farm-to-Market Roads and Structures

Construction of 60 kilometers of road in the high country of Ghazni Province, the Jaghoori-Malistan segment, was completed and the final inspection and turnover to local authorities was being scheduled for the coming quarter. The successful contractor, GRSP, was awarded a follow-on contract that had been abandoned by a local NGO, ESAR. GRSP will, during the coming quarter, construct a further 24 kilometers of road to improve the connection of the Jaghoori-Malistan Road to the main Kabul-Kandahar highway. The roads being built there are tying the fruit and nut production area of Malistan District, and the intervening production areas of two other districts, to the market at Ghazni on the national highway.

As noted earlier, it was recognized that test roads constructed in Nangarhar Province were being used by trucks grossly overweight, 40 to 60 tons, which travel at speeds in excess of 100 km/hr. RAMP/Chemonics now has completed its review, along with the PRT and other IPs of the area, and has defined and adopted a road program that is redirected to the construction of compacted-gravel, farm-to-market roads. Agreements have been negotiated with the shuras and local leaders for the construction of eight road segments in Kama District, an area of high agricultural production. The roads of Kama district were under construction and the remaining 75 kilometers of roads of the program for Nangarhar were out for bid by pre-qualified contractors.

At the end of the quarter the 100 kilometer road program for Balkh Province had been completed. A dedication ceremony was planned for the following quarter to handover these roads to the provincial authorities and local interests. The road building program in Parwan Province was completed and surveys were undertaken to add some 24 kilometers of roads in four segments for service to areas of high agricultural production where a series of RAMP/Chemonics activities are being carried out in the agricultural sector.

Bids were received for the construction of five bridges that span the Guzara Canal in Herat Province and for the construction of a 65 meter bridge that will span the Kunduz River at Qasimali.

Irrigation and Drainage
During the quarter, flooding continued to affect irrigation projects in every province of Afghanistan where RAMP projects were on-going. In Herat the head of the Injil Canal was blocked partially with emergency works to limit the entry of flood waters from the Hari Rud (river). The cooperative village self help project that was built by residents of a Shinwari village at the tail of the Nangarhar Valley system was put to the test by large floods during April, May and July. The village was undamaged. High flows along the Kunar River were partially excluded from four canal systems commanding some 18,600 hectares of irrigated land of Nangarhar Province by the Shigee and Koti Taran headworks. However, canal banks, not a part of the RAMP program, were breached downstream from the recently completed walls and headworks constructed by RAMP.

Dredging of major drains in the Boghra, Darweshan and Shamalan canal commands of the Middle Helmand irrigation area, were some 40 percent completed up to the date of the security incident in the Jui Naw area of Helmand. The designs for works yet to be completed are being packaged for rebidding once the security situation is clarified since DAI, the original contractor, has discontinued construction work in Helmand.

In Nangarhar, construction of a three kilometer long canal in the Shigee Canal Command, the final work to be completed there, was delayed due flooding along the Kunar River.

RSSA, a local NGO, had completed, during the preceding quarter, works to restore irrigation to 6,000 hectares of irrigated area that had been abandoned more than a decade ago due to extensive flood damage to the canal system and villages. During the coming quarter RSSA will be under a new contract to reconstruct branch canal #29 that serves some additional 1800 hectares that is suffering partial loss of its water supply. Once work on Canal #29 is completed, all the works undertaken at the tail of the NVDA (Nangarhar Valley Development Authority) canal system will have been completed.

Once the RSSA project has been completed, the only remaining on-going RAMP irrigation project in Nangarhar Province will be the dredging of 114 kilometers of drains by IF Hope. Engineering studies had been completed and were under review by RAMP even as work was proceeding in both the Kama and NVDA sub-areas where there were approved designs for drain segments. By the end of the quarter some 30 kilometers of drains had been dredged and IF Hope was mobilizing equipment with longer booms to assure that the larger drains of the NVDA area could be efficiently dredged.

Buildings and Market Centers
Four large warehouse type structures were under construction at Mir Bacha Kot near Kabul City, Mazar-e-Sherif, Kunduz, and in Kandahar at Aziz City. These facilities are for the processing of fruits and nuts to standards that satisfy export to several markets including India, Dubai, and Europe. Refrigeration units for these and other market centers had begun arriving in country and a team from Argentina, the country of origin, had arrived to start the installation, start-up, and training of operators.

Challenges Encountered
Reorientation of the infrastructure program from areas of insecurity to those of relative security such that the infrastructure objectives will be met by the conclusion of the program during CY 2006.The challenge of unpredictable flooding continued from the previous quarter into the quarter of this report period and is continuing into the coming quarter.

Looking Ahead
During the coming quarter, effective, rapid implementation of a program of infrastructure construction across the northern tier of provinces will continue to be pursued.

Agricultural Technology and Market Development

Accomplishments this Reporting Period

Projects in agricultural technology and market development concentrated on accessing markets, identifying and bringing to Afghanistan buyers, constructing processing plants, installing cold storage units, providing technical assistance and training in best agronomic practices, assisting farmers in accessing credit and leasing opportunities, implementing pest control programs, and integrating the efforts of all stakeholders in the production, storage, processing, and marketing of priority commodities.

Priority Commodities

Fresh fruit

To assist the Afghan fresh fruit exporters to have better access to international fresh fruit markets, a joint effort by RAMP Implementing Partners with the Ministry of Commerce has been made in advocating for policy reforms that would allow fresh fruit exports from Afghanistan to be made in refrigerated containers to the Karachi port for onward shipments to India and other overseas destinations. The present Afghan-Pakistan Transit Trade Agreement of 1965 does not allow for transit of refrigerated shipping containers from Afghanistan via Karachi. In practice, this means that fruit being shipped through Karachi must be imported into Pakistan and then re-exported as a Pakistani product. Afghan exporters then must pay a tax to Pakistan that inflates the price of their product.

Roots of Peace, a RAMP Implementing Partner, is advocating for the Afghan-Pakistan Transit Trade Agreement to be expanded to allow for and facilitate transit via Karachi. This also includes allowing refrigerated shipping containers (sealed with an Afghan Customs Official Seal) to move directly across Pakistan into India or to at least allow the Afghan trucks to enter the Indian Customs Zone and transfer its cargo to another truck under the inspection of Indian Customs Agents. Opening this door to the Indian market will do more to expand Afghan exports of fresh fruit than any other action the Government of Afghanistan can take.

RAMP-coordinated and funded trade missions to Kuwait, Russia, and Ukraine opened up markets for fresh and dried fruits and nuts. A deal was made between Mr. Shakur of Ashk Co. Ltd. of Afghanistan and Mr. Abdul Manan of Al-Khat Al-Awal Lil Tijarath Al-Ammath Wal-Muqawalat of Kuwait for 80 metric tons (up to 400 mt depending on quality of initial shipments) of fresh grapes to be delivered this season by air. In Moscow and Kiev, buyers seriously interested in importing Afghan fresh grapes include Muhammed Hakimi and Mohammed Rahim (UKROPRODIMPEX-91 Import & Export Co.), respectively.

RAMP arranged for the largest grape trader, Mr. Girish Gaba, CEO of KLG Imports and Exports in India, to come to Afghanistan to show the producers and traders exactly what he expects in his fresh grape shipments. Besides having already identified buyers in Dubai (6 of them) and India (6), RAMP Implementing Partners have identified a fresh fruit buyer, Mr. Salimul Essa of Bangladesh Trading Company in Bangladesh. The Company is interested in a consignment of 15 or more refrigerated containers (over 300 mt) of fresh grapes this coming season.

RAMP Implementing Partners provided technical assistance to Fresh Fruit Processors/Exporters Associations in Kandahar and Helmand. Agreements were made with the Associations, e.g., in the case of the agreement with the Kandahar Association, to spell out the obligations (provide technical assistance, training, the buildings for the Habib City processing plant, delivery, installation, and 50% payment of two cold storage units, 100% of the cost of the pre-cooler, import and deliver packing materials, and lead trade missions) of Roots of Peace and the obligations (provide land for the buildings, 50% of the cold storage units' cost, airfare to trade missions, operating costs of the processing plant) of the Fresh Fruit Exporters Association. Security problems in Kandahar slowed the construction of the fresh fruit processing plant, however, cold stores were installed in another RAMP Implementing Partner's building for use there by the Association until the Processing Plant at Habib City (Kandahar province) is completed. The other fresh fruit processing plant in Mirbachakot in Parwan is 90% complete with the cold storage, pre-cooler, and other equipment and machinery to be installed.

The abundant snow and rainfall in the winter and spring replenished the rivers, irrigation systems, and groundwater and boosted the production potential of fresh fruits across Afghanistan. Farmers with grape vineyards in the Shomali Plains, Kandahar, and Helmand provinces were provided regular extension services in pruning, sulfuring, pest control, trellising, canopy management, and irrigation management including drip irrigation. An additional 20 trellising demonstrations and 25 drip irrigation demonstrations were installed in the Shomali Plains, Kandahar, and Helmand. Close attention to the cicada problem in the vineyards of the Shomali Plains was given by Roots of Peace working in collaboration with plant protection specialists from the University of Kabul and the MAAHF.

Nuts

An agreement with each of three Nut Processing or Exporter's Associations (in Mazar and Kabul) was signed with Roots of Peace to follow through on specified obligations similar to that mentioned above with the fresh fruit processors associations. The Associations in Mazar and Kabul selected the land for the building and started construction of the processing plant building. A third nut processing plant will be constructed in Kandahar once the Dried Fruit and Nut Exporters' Association can agree among themselves on the collective contributions that each will make to the Association for the processing plant and the design of the building.

To assist the Nut Processors' Associations and Roots of Peace in deciding on the most appropriate processing line for nut processing at each of these plants, Mr. Robert Lemas, a Processing Consultant from California, was brought to Afghanistan to provide technical guidance. He developed a practical processing line for nuts that will be fabricated in the US and sent to Afghanistan to be tested and then duplicated by the Associations and other processors. In addition to Mr. Lemas, Mr. George Alvarado, a Nut Extension Specialist from California, came to Afghanistan and provided the nut producers in various provinces helpful techniques that can be used to increase the production of their nut trees.

RAMP continued its technical assistance and training of technical staff at the Raisin and Other Dried Fruit Export Institute in Kabul. All aflatoxin and microbiological equipment was installed and calibrated. Institute technical staff tested 39 samples of dried fruits and nuts brought in by private traders. The Institute staff members know what the limits of aflatoxin are for various countries of the world and were able to accept or reject using the test results for aflatoxin from each of the samples. RAMP organized computer and English training courses for the staff at the Raisin and Other Dried Fruit Export Institute of the Ministry of Commerce. In addition, four computers, printers, scanner, and copier were supplied. The training and resources will provide the necessary capacity building for the Institute to become a more effective organization in export promotion of Afghan products.

Dried fruits

As a result of the potential deals worked out in Roots of Peace's trade mission to Russia and the Ukraine, two shipments, each containing 100 mt of "almost" European-quality red raisins, were exported by Mr. Muhammed Nader Naseri of Afghanistan on June 27th to Mr. Zahir (buyer) in Moscow, and to Mr. Muhammed Rahim (buyer) in Kiev and Luhansk (Ukraine). Each of these buyers have requested 400mt of new crop raisins delivered before Christmas.

Two different types of Indian-style Kishmish Khanas (green raisin shade-drying facilities) were 50% constructed in the Shomali Plains. These Kishmish Khanas were observed in Roots of Peace's trade mission to India. In June, during the apricot harvest in Zabul province, 80 farmers were trained in grading and preparing apricots and drying the apricots with sulphur. Special trays for handling, sorting, and maintaining the apricots along with cloth to cover the trays to minimize the entry of dust were supplied to the farmers. Tents were used for applying the sulphur to dry the apricots. Four dealers from Zabul and 14 provincial agricultural extension workers were also invited to experience the type of techniques that were being trained and to meet the trained farmers so that they can work together to market good quality dried apricots.

Vegetables

The dried vegetable factory of Development Works Canada, a RAMP Implementing Partner, began operating on June 5th with one shift of workers but quickly moved to 24 hours per day, six days per week, with a staff complement of 82 (47 female workers). The factory is running smoothly as the staff members continue to gain experience and become more skillful with the machinery. Farmers harvested and brought for processing to the factory about 76 metric tons of spinach, coriander

and courgettes. These vegetables provided a dried product of 4.2 metric tons.
DWC has contracted with 364 vegetable farmers (the makings of the Farmers' Association) to bring their vegetables into the factory. The Sun Dried Tomato Project is on track for the expected tomato harvest beginning the end of July. Contracts have been signed with 197 women to sun dry tomatoes in their homes before the tomatoes are delivered to the factory.

The Bolan Farmers' Association, comprised of 60 farmers, is being assisted by RAMP in establishing its by-laws and registration with the Afghan Government and constructing and equipping a vegetable cold storage and processing plant in Helmand. The 250 square meter plant to be built by the Grain Industry Alliance, a RAMP Implementing Partner, will have two cold storage units and packaging capability. Other potential sites for cold storage units are in Parwan, Kandahar, Nangarhar, and Kunduz. The units will be provided to Associations on a buy one get one free (from RAMP) basis. The vegetables (and fruits) in cold storage will find more attractive prices in the local and export markets where they will substitute for lower quality, non-refrigerated vegetables.

Four hundred and twelve demonstrations of best practices of various vegetables, including okra, potatoes, onions, tomatoes, cucumber, and eggplant, are in various phases of development. Field days have provided the most useful way of promoting the best practices for the vegetables. In addition, over 70 metric tons of clean seed potatoes of the improved variety were stored in RAMP-funded storage facilities in the RAMP priority provinces and later distributed in the spring to farmers for multiplication and demonstration purposes.

Twelve greenhouses were established with farmers by ICARDA (in Kabul, Kunduz, and Parwan) and CRS (in Herat). ICARDA trained 151 farmers at Farmers' Field Schools in various aspects of vegetable production in greenhouses (GHs) and 512 farmers attended Field Days in RAMP priority provinces. Many farmers expressed their desire to install GHs with their own money. ICARDA is following up with these farmers to help them with accessing the materials and credit.

Six Afghan trainees were sent to a three week on-job training course at Al-Busaily Training Center of Central Laboratory of Agricultural Climate, Cairo, Egypt. Participants of the course were trained in greenhouse management techniques and methods of integrated production and protection management in protected agriculture.

Livestock
The number of vaccinations, medications, and other veterinary services administered by DCA and its Implementing Partners, including Afghan Veterinary Association (AVA) and Partners in Revitalization and Building (PRB), during the reporting period was 2,914,635, 1,335,807, and 161,277, respectively. Forty-one new Veterinary Field Units were established during the reporting period. The number of paravets and others being trained plus the number who have finished training at DCA's training centers reached 205. A cold chain was initiated with 6 cold storage units (for storage at the DCA Central Store and regional stores) ready to be installed with generators and 70 solar-powered refrigerator/freezers being procured for district centers.

Villlage Group Leaders in the FAO Rural Poultry Project marketed 171,142 eggs produced by families in the Poultry Producer Groups. 209 New Poultry Producer Groups (PPGs) were established and the women in these groups are in training. The training of 8,226 selected women in Kunduz, Parwan and Nangarhar provinces was completed and the training of 5,675 selected women is continuing. 6,404 Feeders, 6,360 drinkers, 127,837 kg of poultry ration and 12,220 meters of wire mesh were sent to Jalalabad, Kunduz and Baghlan for distribution to women who had completed the essential training.

Wheat
The Emergency Locust and Sunn pest Control Program was implemented and coordinated by the FAO, the Plant Protection and Quarantine Department of the MAAHF, and the Provincial Agricultural Departments. The emergency locust control program was successful at controlling the locust population at an early stage in the locust life cycle in the provinces of Baghlan, Samangan, Balkh, and Kunduz. Among other items, a total of 12,065 liters of Diflubenzuron and 19,250 liters of Deltamethrin (supplied by donors other than the USA) and 1,357 ULV sprayers were used in controlling the locust in 117,089 hectares in the four provinces.

The emergency Sunn pest control program started in early April with the training of Sunn pest organisers carried out in Shiberghan for Jowzjan and Sar-i-Pul, and in Maimena for Faryab. The Shiberghan course was also attended by MAAHF and CADG organizers from the RAMP-funded,Sunn pest control project in Helmand. Among other items, over 38,000 nets for catching Sunn pest, 19,400 liters of Deltamethrin (from sources other than the US), and 2,185 ULV sprayers for chemical control were made available for use in the Program. The Sunn pest control program in northern Afghanistan was unable to reach many remote areas of the targeted districts in five Project provinces (including Heart) and the nets were not as effective as expected because of heavy infestation of Sunn pests in many areas. FAO will release their report on the emergency Sunn pest control program next reporting period.

In Helmand, the results of the Sunn pest control program were very favorable. CADG led the training of farmers in understanding how to control Sunn pest, provided 6,000 nets for mechanical control, provided 744 sprayers, and trained farmers and other applicators on proper techniques for handling and using appropriate insecticides for controlling Sunn pest in wheat. The PRT in Helmand bought 14,956 kilos or liters of insecticides that were used by trained applicators in spraying 15,787 hectares of wheat in nine districts in Helmand.

The extension program and the radio broadcasts on Sunn pest instructed farmers in controlling the insect and in spraying at least 16,000 hectares with their own resources. About one-half of the 60,000 hectares of wheat infested with Sunn pest in Helmand was controlled through measures in which CADG provided instruction and/or direct technical assistance. The amount of wheat saved by the emergency control program in Helmand was valued at over $5 million.

The abundance of snow and rain during the winter and spring led to similar wheat production as in the 2003 crop. 190 Demonstrations of the best practices for wheat were conducted in RAMP's five priority provinces. In addition to the demonstrations, the wheat seed and fertilizer distribution program in Nangarhar brought over 3,900 hectares under cultivation with improved seed. 19,574 farmers benefited from the program when a total of 12,729 metric tons of wheat were produced.

The seventeen Village Based Seed Enterprises produced wheat seed under the guidance of ICARDA. The most productive and progressive VBSEs in Kunduz province have qualified for a wheat seed credit program sponsored by the IFDC. Under this program, the VBSEs will receive up to 80% of the value of their wheat seed at harvest if they store it in the VBSE's warehouse. Before or at the time of planting, the members of the VBSE (also titled Seed Producers' Association) will sell their seed at, presumably, a higher price and pay off the loan. Fifteen VBSEs received seed cleaners from ICARDA. Many of the VBSEs are working with the Afghan Finance Company to access machinery through a leasing program. Besides providing training to input dealers, IFDC has also initiated a credit program with private input dealers in Helmand province.

The Kunduz flour miller was assisted by the Grain Industry Alliance in purchasing and installing weigh scales and in getting all of his milling machinery and equipment through the Afghan/Pakistan border. The miller also used his loan from the Afghan International Bank to finish construction of his mill and to begin procurement of wheat.

Alternative Crops

CRS sent several samples of cumin to USA buyers and to the School of Packaging at Michigan State University to be tested for color strength and microbial contamination. Saffron was found to be contaminated with e.coli and mold and thereby not acceptable for international markets. Two methods for reducing the microbial load, including safe growing/post-harvest practices and through irradiation have been identified. CRS sent a sample of cumin to the USA to assess the quality of the cumin and the interest of buyers. The Afghan cumin sent did not meet the grades and standards required by the premium spice market due to lack of sizing and cleaning. Improved sorting, sizing, quality grading, and cleaning are required.

Challenges Encountered

- The policy reforms needed for allowing fresh fruit shipments to flow smoothly into and out of Pakistan to other international markets need to be addressed. The Ministry of Commerce will be assisted in advocating these reforms with the Pakistani authorities.

- Most producer, trader, and exporter associations need a continuous flow of technical assistance and training to achieve access to markets with quality products. RAMP Implementing Partners will provide the assistance for targeted associations that are involved with RAMP activities.
- RAMP has identified many buyers of the various value-added products that are being or will be processed. The buyers require products of varying quality and packaging. A better understanding of the requirements of each of the buyers is needed before major shipments are agreed to.
- Emergency Sunn pest control in Helmand province was a serious widespread problem. The severity of the problem needs to be clearly attended to by a Working Group that includes, among others, the Plant Protection Department of the MAAHF and provincial offices.
- As harvest for many agricultural products is near, the 83 market collection centers (MCCs) built in 2004 for assembly of agricultural products should be used for temporary storage and other purposes. An extra effort needs to be made to convince the village shuras and other owners of uses of the MCCs.
- Security problems in Helmand have prevented RAMP Implementing Partners from conducting field days during the past few months. Radio programs and pamphlets describing best practices need to be enhanced to get the information to the farmers

Looking Forward

- Install the remaining cold storage units in the designated sites and provide training to operators in the use of cold storage for maintaining quality agricultural products. Help the owners of the cold storage units in operating the units for efficient storage and marketing of fresh fruits and vegetables
- The cold chain will be installed and operated at the regional offices of the DCA and its subcontractors. Newly installed solar-powered refrigerators at the district centers will be extending the cold chain to the districts and from there supplying quality vaccines and medications to the Veterinary Field Units (VFUs).
- Complete the construction of the fresh fruit processing plant in Habib City in Kandahar
- Install the precooler, cold storage units, and other equipment and machinery in the Mirbachakot and Habib City processing plants and assist the exporters in shipping fresh grapes to India and other countries.
- Facilitate Mr. Gaba of KLG (India) in his trip to Afghanistan to prepare producers and trader(s) in Kandahar and the Shomali Plains for the shipping of fresh grapes to India. Supply other buyers of Afghan fruits, vegetables, and nuts from other countries with the information and the assurance they need to buy Afghan products.
- Conduct a Far East Asia market study of fresh and dried fruits and vegetables and nuts
- Continue to work with the Ministry of Commerce in achieving policy reforms with Pakistan to open the way for refrigerated containers to be shipped straight through Pakistan to international destinations
- Complete the third Kishmish Khana and assist the farmers in using them when the raisins are ready for drying
- Rehabilitate raisin processing plants for potential export of raisins to higher end markets
- Work with the Nut Processors Associations in Mazar, Kabul, and Kandahar in getting their nut processing plants established
- Award the proposal for Strengthening Nut Sector Agribusinesses and assist the Implementing Partner
- Send technicians from the Export Institute and other organizations to be trained in microbiological testing of agricultural products
- Institutionalize the certification system for assuring the quality of dried fruit and nuts tested for aflatoxin and microbial contamination
- Continue to process and begin exporting dried vegetables to the European buyers
- Process the dried apricots from Zabul in the Kandahar processing plant, train the dried fruit exporters in the processing techniques, and assist the dried fruit exporters in exporting the dried apricots to overseas buyers
- Put in place the practical business plans that have been developed by ICARDA for the VBSEs
- Continue construction of more greenhouses in the priority provinces
- Develop an action plan for managing and implementing the Sunn pest control program for the next year
- Intensify the extension services that accompany the crop demonstrations and field days to enhance the adoption rates of the best practices

- Continue to train paravets, open new VFUs, and supply sufficient quantities of vaccines and medications to the VFUs
- Provide input credit to agricultural input dealers in Helmand and Kandahar
- Maintain close project coordination among RAMP's Implementing Partners, PRT's, the Ministry of Agriculture Provincial and Kabul leaders, other donors and NGOs.

Rural Finance

By the end of the quarter, the number of microloans disbursed through the Microfinance Investment and Support Facility Agency (MISFA) totaled 18,546. This exceeds the projection of an expected outreach of 15,000 by 24%. This outreach expands to 16 provinces and 114 districts. Through the RAMP grant with MISFA, the facility was able to provide technical assistance to several microfinance institutions (MFIs) to increase their loan products to accommodate the agricultural sector. Some of those products include loans targeted to the kuchi population, microleasing for small agricultural equipment (such as threshers, electrical saw, milk cans, small processing equipment), seasonal production loans and agricultural trade loans. Finally, due to the heightened security concerns over the last months and the high-risk of lending in rural areas, MISFA sourced a security trainer to provide a practical, skills-based training of trainers for MFI managers.

For the small and medium sized enterprises (SMEs) RAMP's financial partners, the Afghanistan International Bank (AIB) and the Afghanistan Finance Company (AFC), provided debt capital and leases to enhance the business operations. During the quarter, total commitments for loans and leases approximated $1.8M. The bank has basically committed all of their grant funds. The leasing company has started making headway on the demand side of their business and should be growing their portfolio extensively through the next quarter and beyond.

The equity fund, Afghanistan Renewal Fund (ARF), has had continuous delays in closing the Fund. RAMP insisted that the Fund be closed by the end of July –or- the funds would be retracted due to poor performance. Based on the consistent communications with ARF, they have been reassuring that indeed the closing will happen by this imposed deadline although the legal documentation may take a few days into August to finalize.

During the quarter, the pilot program, Business Mentoring Services, was finalized through UNDP. A transition was made to a new institution, Flag International, to provide business advisory services to agribusinesses. This has been a smooth transition and allowed the businesses a more private sector approach to meet their needs for business services rather than through a heavily bureaucratic organization.

Accomplishments this Quarter

The access to credit for agribusinesses expanded during the quarter from different financial institutions. Micro level institutions increased the number of loans disbursed by 54% since the last quarter. This growth level is consistent with the scale of opening microfinance branches into 13% new districts from the previous quarter. As each of the microfinance institutions gain more experience in lending in the Afghan environment, the outreach of microcredit will grow exponentially. The number of women accessing micro loans has reached 85% of all loans disbursed. This is an incredible feat as Afghan women have not had access to credit for many years.

The performance of our bank partner, AIB, has proven satisfactory. They have been real partners in providing debt capital to agribusinesses which should have a trickle down effect on the agricultural producers including wheat and grape producers and next quarter to cumin producers. During the quarter, AIB took the initiative to visit Kandahar and start the Central Bank regulatory steps necessary to expand to this province. RAMP worked closely with the Alternative Livelihoods Program-South to get their commitment to support AIB's expansion to the south.

The leasing company that RAMP has jumpstarted with operational and capital support is starting to show tangible results. The initial months of the leasing company were spent primarily setting up the policies, procedures, administration and operations of the company. During this quarter, the company

moved towards hiring a cadre of leasing officers who then were pro-active in reaching out to agribusiness clients. By the end of the quarter, AFC had a pipeline of over $1M potential clients.

The equity fund that RAMP has supported over the last several months has had some fits and starts. The original plan was that the Fund would close during autumn 2004. Based on the demands and expectations of the various investors, the closing date of the Fund continued to be pushed back. During the quarter, RAMP insisted on a closing date of the end of July 2005 so that RAMP could benefit from one year of investments in targeted agribusinesses. All indications are that Acap Partners, the Fund Managers, will meet this imposed deadline. The Fund Managers have logged 119 entrepreneurs; screened 6 of these enterprises and provided business plan support to two of them. This work to-date will ensure that equity funds will be placed rapidly into the selected agribusinesses.

Flag International, the new business development service provider for RAMP, began implementing their project in June 2005. During the first month of their operations, much of their work centered on setting up office space, hiring/training local staff and developing their work plan for the project. The office space selected has a training room that will accommodate up to 30 people. Flag expects to do regular trainings in their offices for entrepreneurs and, also, for the national staff of the financial institutions. Flag also initiated discussions about collaborative efforts with the other donor-funded private sector providers.

Challenges Encountered

After much consternation with the Ministry of Finance regarding the funding proposals of four MFIs, the Minister of Finance gave a “no objection” letter for 3-year funding proposals for the institutions. [This is not RAMP funding but it does impact the microfinance institutions that RAMP is supporting as it includes operational funds that RAMP does not provide.] These four MFIs comprise 80-90% of the microfinance industry in Afghanistan. Ongoing funding is contingent both on MFI performance and on the availability of donor funding. This means that MISFA will have to continue to monitor closely the MFIs that are receiving capital funds and also provide sound technical assistance to these institutions in order to maintain the confidences of the donors and the Afghan government.

Further works needs to be completed on better coordination between the financial institutions and the BDS provider. As clients are identified for financing, Flag International and AIB/AFC need to coordinate closely to ensure that the clients are receiving the customer support and professionalism accorded them.

Looking Ahead

During the next quarter, MISFA will take a very proactive approach to marketing their services so there is a better understanding of microfinance and the benefits accorded to microentrepreneurs. One of the marketing aspects will be to tie into a radio program developed by the National Solidarity Program (NSP) to build awareness of the microfinance sector. The MISFA grant will end during the next quarter [unless other funds become available under the RAMP contract] and final reports/assessment impacts will be completed.

As part of the grant with AIB, a third party reviewer was to determine the disposition of the RAMP grant funds provided to the bank. The reviewer will begin this consultancy in July and a decision will be made before the end of the quarter about the performance of AIB to-date in disbursing loans to SMEs in the agricultural sector. It is expected that with the completion of the present loans in the pipeline the grant funds will be exhausted early in the next quarter. This presents a challenge to RAMP to provide debt financing to other agribusinesses. The plan is to coordinate with a private sector contractor that will offer loan guarantees and credit lines to AIB to fund future agribusiness deals that are identified through RAMP.

After much searching, AFC has identified an interim CEO who will provide leadership and continuity to the leasing company until a permanent officer can come on board. One of the many duties of the CEO will be to continue with capital fund raising for the leasing company. This additional capital is crucially needed as the capital provided by RAMP is expected to be depleted just after the end of 2005. The RAMP rural finance team will work closely with ALP-East and South to receive their support and assistance in funding AFC to expand to the regions.

The Afghanistan Renewal Fund is planned to close in the next quarter and concentrated efforts will begin to invest in businesses identified to-date by Acap Partners.

Flag International is receiving lots of exposure and expects to have much demand for their services. The contract with RAMP covers only 6 months so Flag will be developing a client fee structure to offset some of their operational costs. These fees will not be enough to sustain Flag beyond the current subcontract end date of December 2005. Thus, Flag is collaborating closely with other projects/donors to raise additional operational resources to continue their project beyond this end date.

Metrics This Quarter

April 10, 2005

Indicator	Cumulative Total	Sept 2004 Target
Km. of canal rehabilitated	353	320
Irrigation structures rehabilitated	233	232
Hectares receiving improved irrigation	310,900	310,000
Km. of farm to market roads rehabilitated	312	120
Loan officers trained	1,150	1,150
Loans disbursed	10,940	5,500
Livestock vaccinated/treated	8,381,950	3,000,000
Chickens distributed	55,805	5,000
Women training in poultry mgmt	11,196	4,060
Farmers served by extension	616,318	520,000
Market Centers Constructed	145	131
Market Centers Under Construction	0	n/a

June 20, 2005

Indicator	Cumulative Total	Sept 2004 Target
Km. of canal rehabilitated	502	320
Irrigation structures rehabilitated	233	232
Hectares receiving improved irrigation	316,300	310,000
Km. of farm to market roads rehabilitated	354	120
Loan officers trained	1,150	1,150
Loans disbursed	14,015	5,500
Livestock vaccinated/treated	12,621,004	3,000,000
Chickens distributed	58,973	5,000
Women training in poultry mgmt	13,050	4,060
Farmers served by extension	665,084	520,000
Market Centers Constructed	145	131
Market Centers Under Construction	0	n/a

Rural Financial Services

Microfinance Investment Support Facility for Afghanistan (MISFA)
Life of Project: 18-Dec-03 to 31-Aug-05
Provinces: Nationwide

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#1-0003-MISFA	18 Dec. 2003	Frances Toomey	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$5,000,000	$0.00	$4,470,784	$529,216	$0.00

Project Description: MISFA is an umbrella microfinance facility which funds microfinance institutions that use a diversified range of products and methodologies and reach various geographic locations specifically targeting an array of clients. This grant of $5,000,000 to the Ministry of Reconstruction and Rural Development channels funds to the Microfinance Investment and Support Facility Afghanistan (MISFA). MISFA finances a mix of organizations that implement a varied range of microfinance approaches in order to test their applicability to Afghanistan and support the development of a diverse and competitive microfinance sector. This is a World Bank supported activity.

Expected Results (by end of project):

- Total loan portfolio: $4,000,000
- Approximately 15,000 loans
- Target number of institutions disbursing loans: 11 nationwide

Accomplishments this Quarter:

- Continued to establish linkages with organizations that have an agricultural focus, especially with RAMP partners, to provide access to microcredit to the organizations' beneficiaries;
- Assisted with the processing of Alternative Livelihood (ALP) proposals that will increase the outreach of microfinance;
- Hosted a roundtable introducing agricultural associations to MFIs and explaining the marketing benefits of linkages such as the Veterinary Field units, FAO's livestock training program and DWC;
- Designed a loan product for Kuchi nomads;
- Sourced, coordinated, and reviewed work of RAMP-funded consultants for agricultural-related SOWs including CARE – market survey, Aga Khan – development of leasing and agricultural trade products and TOR – security training for microfinance institutions; and
- Began impact assessment analysis for RAMP.

Challenges Encountered

During the quarter, MISFA consistently provided information to both the MRRD and the Ministry of Finance (MoF) in support of providing the funding to the microfinance institutions as there was some misunderstanding from the MoF about issues surrounding the microfinance methodologies. Some of those issues including the impact of the microcredit on the household; the cost-effectiveness of the institutions providing microcredit; and the interest rates charged. All of these issues were addressed satisfactorily by MISFA and the MoF approved the microfinance institution proposals that were languishing for a four month period. To overcome these types of issues in the future, MISFA plans to be more pro-active about their activities to keep everyone more informed and part of the process.

Looking Ahead

The coming quarter will entail the close-out of the MISFA grant [unless other funding becomes available]. Some of the tasks to be completed during the next quarter include:

- Continue monitoring external consultants and providing technical assistance including the Aga Khan new loan product development;
- Agricultural lending training to some of the microfinance institutions;
- Continue to develop linkages with the microfinance institutions and agricultural-related NGOs to carry-on beyond the RAMP funding such as IFDC giving loans to ICARDA beneficiaries for greenhouses and seed enterprises; and
- Complete a final report with an impact analysis of the grant funding.

Project Manager Comments

RAMP saw an opportunity this quarter to provide MISFA with more time to complete their targets. A no-cost extension was granted to MISFA through the end of August. This additional time will allow MISFA to effectively and efficiently disburse the balance of the capital funds to the microfinance institutions. Additionally, the time will allow the microfinance institutions to receive further technical assistance through the Agricultural Finance Advisor, Kirsten Weiss.

The new Senior Management team of MISFA was put into place this quarter. The team will be directed by Amjad Arbab and the operations side will be managed by Joyce Lehman, a seasoned microfinance specialist who has been working with Women for Women-Afghanistan over the past year. RAMP is confident that this team will continue to provide sound technical advice and loan capital to the microfinance institutions under their charge.

Quarterly Report Q2 FY05 **FINAL REPORT**

Kandahar Check Dams
Central Asia Development Group (CADG)
Life of Project: 15-Oct-03 to 15-Aug-04
Provinces: Kandahar and Helmand

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#2-0002-CADG	Oct. 15, 2003	James Huddleston	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$130,271.90	$0.00	$130,271.90	$0.00	$0.00

Project description: CADG constructed two check dams, Islam Dara II and Tangriz, to store the flow of rainwater runoff, to recharge aquifers and karezes.

Enhanced Livelihood – Improved water supply to two villages from recharged groundwater aquifers for irrigation and water supply to animals and residents.

Accomplishments this Report:
Project was completed in July 2004.

Quarterly Report Q2 FY05 **30 June 05**

Irrigation Rehabilitation for the Char Dara, Bala Doori and Darqad Systems

Development Alternatives, Inc. (DAI)
Life of Project : 17-Feb-04 to 30-Jun-06
Provinces: Kunduz, Baghlan, Helmand

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#3-0002-DAI	21-Oct-03	Ibrahim Sultani	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals***	***Balance***
$3,779,028	$495,966.13	$3,487,933.13	$27,589.25	$263,505.62

Project Description: This contract encompasses 6 separate rehabilitation activities in two productive agricultural regions – the Kunduz and Helmand River basins.
Phase One: Rehabilitation of the Char Dara, Bala Doori and Darqad Irrigation projects, on the Kunduz River, Kunduz and Baghlan Provinces – these were completed March 2004.
Phase Two: DAI started work on 2 of the Phase II activities in March 2004. These activities were the Marja Drain Cleaning Phase II in Helmand and the Bala Doori Canal Structures Activity in Baghlan Province. Work on the third activity, the Dand-e-Gehuri Road Rehabilitation Activity, also in Baghlan Province, began on 1 June 2004. A fourth activity, the Shamalan S10 Lateral Canal Bank Repair activity was postponed and subsequently cancelled. Phase two work was completed during May 2005.

Expected Results:
Phase One – 48,000 Hectares receiving improved irrigation supply and drainage; 35,600 farm families with increased productivity; and 482,000 person days of employment.
Phase Two - These activities are benefiting 13,000 families or 78,000 people, and a total of 28,200 hectares of agricultural land.

PHASE ONE
Projects 100% Complete

- **Afghan farmers employed for Char Dara, Bala Doori and Darqad segments- 4,400**
- **Total investment in Char Dara, Bala Doori and Darqad Canals – $1,335, 804 and the total amt spent was $1,287,036.**
- **Kilometers of canal rehabilitated within these three projects – 111**
- **Implementing Partner: Development Alternatives, Inc., (DAI)**

Mirab Sher Alam of Baghlan, surrounded by community members at the Darqad irrigation project site

In Kunduz and Baghlan provinces, Development Alternatives Inc., rehabilitated three rural irrigation systems and returned more than 30,000 hectares of cultivated land to full irrigated production under the Rebuilding Agricultural Markets Program (RAMP) funded by the United States Agency for International Development (USAID). This includes de-silting and widening irrigation canals, repairing and replacing water intakes, canal banks, protection walls, turnouts, and sluice gates The provision of a reliable, timely supply of water for irrigation resulted in substantially increased crop yields, estimated to be more than double recent output.

Local farmers working to de-silt the Darqad canal

The **Char Dara Irrigation Project** in Kunduz employed 2,700 Afghan farmers for removing silt from 60 kilometers of irrigation canals. This system dates from 1891, but lack of proper maintenance had resulted in canals and irrigation structures that were no longer capable of delivering on demand the volumes of water for which the system was designed. Sixty kilometers of canal have been de-silted and repaired.

The **Bala Doori Irrigation System** runs through Pul-e-Khumri in Baghlan Province. DAI employed 1,000 Afghan workers to de-silt and clean out 30 kilometers of canal. This system was built in the 1930's and served the community well, irrigating 3,000 hectares in the past, but had deteriorated until it was serving just 2,000 hectares.

Digging out the Bala Doori as it passes under a road

Due to illegal intakes and water theft upstream, the **Darqad Irrigation System** had been unable to provide an adequate water supply to the region for 25 years. Seven hundred Afghan farmers worked to clean 21 kilometers of canal, commencing at the intake on the Kunduz River.

The Governor of Baghlan, Engineer Omar, commented that "I have been on field visits to areas with no water and now there will be plenty of water. When the people see me, they are very happy. I am proud of the support that I have given this project. If I balance these activities with those of other NGO's and the aid community, these projects are more important than all of them put together….I hope that this is not the end of your work in Baghlan, but just the start."

The Char Dara, Bala Doori and Darqad irrigation projects were completed in March 2004, in time for the spring planting season. The rehabilitation of these irrigation systems has been a community building endeavor. Thousands of local farmers were employed on the projects.

The local Irrigation Departments and Mirabs (irrigation water masters) were involved in each step of the planning and implementation process. As a result, the community was benefited by: 1) learning what is necessary to maintain their irrigation systems, 2) benefited from direct employment opportunities that injected cash into the local economies, and receiving timely, adequate water supplies needed to improve their yields and income.

The Bala Doori Irrigation System

- **30 km of canal desilted and widened**
- **74,000 days of paid wages for Afghan workers**
- **37 community members trained in canal management**
- **1,000 hectares of land receiving new water for irrigation**
- **2,000 hectares of land gaining an additional cropping cycle**

Engineers measure a stump indicating the level of silt that has been removed from Bala Doori

The Bala Doori Canal rehabilitation activity had two major components: de-silting and widening the canal and building 300 meters of protective wall to prevent the banks of the canal being eroded by the Kunduz River. From its intake to the south of Pul-e-Khumri, the Bala Doori flows through the middle of the town until it eventually reaches its command area to the north of town. The canal branches to form two loops. The two loops and the main canal are a total of 30 kilometers long.

Significant portions of the Bala Doori Canal run right through the heart of Pul-e-Khumri City. This caused two problems during construction. First was the problem of trash disposal in the canal and the second related to property encroachment into the canal right-of-way. People living in the city dump trash and sewage directly into the canal because it was the most convenient option. Further, sediment deposition due to the flow of dry washes entering the canal compounded the problem. In consequence, the Bala Doori Canal was virtually full of solid material leaving very little capacity for water delivery. Second, a number of Pul-e-Khumri residents who live adjacent to the canal extended their properties up to and, in some cases, over the canal. This urban encroachment made removing

sediment from the Bala Doori Canal difficult in large part due to limited or no access being allowed to workers.

A situation that was only partly redressed by the cleaning activity related to the quality of water. The restricted flow of water that passed through the city before cleaning became very polluted by the time it reached the farm fields. For want of an alternative, farm families had for many years been forced to use the highly contaminated water not only for irrigation but also for bathing and, in many cases, for drinking as well. Once the canals were cleaned the rate and velocity of flow increased; this meant that concentrations of pollutants were not as great after rehabilitation as they had been before. However, the threat to public heath still exists

The Darqad Irrigation System

- **12 km of canal desilted and widened**
- **37,775 paid labor days for Afghan workers**
- **80 community members trained in canal management**
- **1,000 hectares of land receiving new water for irrigation**
- **600 hectares gain a additional cropping cycle**

15 August 2003 – before work began

6 January 2004 – during intake construction

The Darqad project is providing new irrigation to 1,000 hectares of land and water for an additional season for 600 hectares in Baghlan. The Darqad intake is located on the Kunduz River. The canal rehabilitation activities had two major components - de-silting and widening of 12 kilometers of canal and re-constructing of the primary diversion weir and intake structures. The Darqad project employed a daily average of 620 workers and injected $91,000 dollars into the community in wages paid.

Whereas laborers did all the de-silting work, RAMP implementing partner, Development Alternatives Inc. (DAI), used a combination of manual labor and heavy equipment on the diversion weir and intake. Heavy equipment was used to excavate, prepare foundations, deliver construction materials to the site and divert the Kunduz River, and laborers were employed to mix concrete and lay stone masonry. To ensure sustainability at the project's completion, 80 members of the community received training in canal management.

The Char Dara Irrigation System

Impact and Beneficiaries

- **60 kilometers of canals de-silted, repaired and widened**
- **56 water turnouts repaired and constructed**
- **35,400 hectares of agricultural land benefited by a reliable supply of water**
- **10,800 hectares supplied with water for an additional cropping cycle**
- **241,000 days of paid work for 1,100 Afghan workers**

The years of war, drought, local conflicts, flash floods and landslides have led to irrigation canals on the Kunduz River being silted with some parts totally destroyed. This particular irrigation system dates back to 1891. Maintenance of the system has been neglected either because it has been too dangerous or because human and financial resources have not been available.

As a result, the canal itself and the irrigation structures on it no longer functioned properly and were no longer capable of delivering the volumes of water for which the system was designed. Of the 36,000 hectares of land served by the Char Dara system, 10,800 hectares (30%) were totally unproductive because they received no water, 21,600 hectares (60%) were only partially productive because water was only available sporadically, and only 3,600 hectares (10%) received the quantity of water needed to maintain full productivity.

This highly productive region provides high value crops to the nation including: wheat, cotton, rice, melons, watermelons and potatoes. Rehabilitation of the Char Dara Canal has restored the system to its full carrying capacity and returned the entire 36,000-hectare command area to full agricultural productivity.

PHASE TWO
Accomplishments this quarter:

Phase 11 – original activities:

- Marja Drain Cleaning – Phase II - Helmand
- Bala Doori Canal Structures - Baghlan
- Dand-e-Gehuri Road Rehabilitation - Baghlan
- Shamalan S-10 Lateral - Helmand

Three activities under Phase II of Job Order #3 were completed at May 2005; the fourth activity, repair of Shamalan S-10 Lateral was deleted from the contract. The three activities completed were:

- Removal of more than 400,000m³ of silt from main drains in the Marja subsystem (to complete work DAI started under a different contracting mechanism);
- Repair or re-build 5 super passages, 20 turnouts and 140 meters of retaining wall on the Bala Doori Canal
- Re-surface, grade and provide proper drainage for 38 km of tertiary roads in the Dand-e-Gehuri region of Baghlan Province. In addition to this, 45 structures for disposal of water under the roads are also being built.

Marja Drain – DAI utilized 6 draglines for dredging the wider deeper sections and manual laborers for the smaller, narrower sections.

Dand-e-Gehuri roads – this district is associated with the Darqad irrigation project. The roads repaired include the Darqad canal road, the Jue Naw road and the Mangal Ha road, all of which link prime agricultural areas to the main road between Pul-e-Khumri and Mazar-e-Sharif. Work.

Challenges Encountered and Remedial Action Taken:

Fortunately all work was completed for this contract before security conditions deteriorated in the Middle Helmand area during May of 2005.

Looking Ahead:

- The project has been completed.

Project Manager Comments:

The 35 kilometers of roads constructed by DAI has opened an important production area to markets of the Baghlan area. The Jui Naw, Darqad and Mangalha roads were dedicated and accepted for maintenance by the Governor of the province and the village elders of the area 31 August 2004. These roads together with the three irrigation projects were the first investment projects undertaken in this area after time lapse of almost 20 years. The roads provide service to a population of 92,804, of whom 59,940 are from the catchment area of the road corridor and the remaining 32,900 reside outside the catchment area, but depend on the road for services. These roads have provided the fundamental base for the socio-economic transformation of the population, and are an indicator of peace, security, prosperity and a better future for the area.

Quarterly Report Q2 FY05 **FINAL REPORT**

Kunduz Road and Khanabad Irrigation System Rehabilitation
Kunduz Reconstruction Agency (KRA)
Life of Project: 10-Oct-03 to 31-May 05
Provinces: Kunduz

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#4-0002-KRA	20-Oct-03	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$508,671	$0.00	$508,671	$0.00	$0.00

Project Description*:* KRA upgraded 24.5 km of tertiary roads, and repaired the Khanabad Dam Irrigation System by building a protection wall to prevent erosion from destroying the dam.

Expected Results (at end of project):
Enhanced Livelihood – 21,621 farm families with increased access to markets; 10,300 Hectares receiving improved irrigation; and 34,000 farm families with increased production.

Accomplishments this report:

The dedication ceremony of 24.5 kilometers of Nek Pai and Jangal Bashi roads and 390 meter Gabion protection walls that protect Khanabad irrigation project was held on 21 February 2005.

Benefits:

These roads have provided the fundamental base for the socio-economic transformation of 32,773 people living in their catchment area. Khanabad dam irrigates 34,000 hectares of land that belong to 90,000 families.

The following photos were taken at 11.5 kilometer of Nik Pai road before and after rehabilitation, i.e., during February 2004 and February 2005, to illustrate the difference on the structure of the road.

Similarly the following photos were taken at 13 kilometer of Jangal Bashi road before and after rehabilitation, i.e., during February 2004 and February 2005, to illustrate the difference on the condition of the road.

After the rehabilitation of these roads, the number of vehicles moving on these roads has increased from about 15 to 223 between early 2003 and November 2004.

The number of months traffic flows has increased from the previous 8 to 12 months in a year.

The savings in the transport cost of commodities has increased by about thirty per cent in spite of the fact that fuel prices have at the same time increased by about fifty per cent.

The travel time along the road has been reduced from the previous 2 hour 30 minutes to about 15 minutes.

These benefits have generated an increase in the production of melon and water melon by about 35% due to growing urban demands and reduction in wastage during transport to urban markets.

During the dedication ceremony it was a great pleasure to hear from the communities that "after 24 years of war and conflict in this country, rehabilitation of these roads is the first sign of security and peace in our area. Our irrigated water is safely reaching our lands, our roads are rehabilitated and our commodities are being transported within a period of less than an hour. We earn now more than before and the vehicles are plying on our roads whole day."

Challenges Encountered

Now the greatest challenge facing the Shuras, communities who are benefiting from these roads and the Government is preserve the assets that have been rehabilitated. The challenge is to maintain these roads so that these benefits become sustainable for their and future generation to come.

Project Manager Comments:

KRA had demonstrated that they have the ability to rehabilitate roads to our standards. KRA had shown financial commitment for the construction of farm to market road projects by purchasing a 13 MT roller and a 1 MY hand operated roller. This was one of the reasons for awarding them the contract for the rehabilitation of 7.2 km. of access road to Qasemali Lala Maydan bridge in Kunduz.

Development of Rural Poultry Production Activity

United Nations Food and Agriculture Organization (FAO)
Life of Project: November 3, 2003 – June 30, 2006
Provinces: Nangarhar, Kunduz, Helmand, Parwan, Ghazni

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#5-0004-FAO	19-Oct-03	Daad Mohammad Amir	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$3,599,239.00	$1,035,742	$1,708,092	$0.00	$1,891,147

Project Description: FAO will provide training in improved poultry care and production to 25,000 village women as well as introducing poultry income generating activities to open new markets for the surplus eggs.

Expected Results (by end of project):
1. Enterprises Developed: 5 feed processing centers established to produce and sale poultry feed
2. Enhanced Livelihood: 25,000 women trained and supported to establish poultry farms; 25,000 families benefit from improved nutrition and supplemental income

Accomplishments this Report

Training

- The training of 8,226 selected women in Kunduz, Parwan and Nangarhar provinces is completed.- 5675 selected women is continuing.
- 209 new Poultry Producer Groups (PPGs) were established and the women in these groups are in training
- To upgrade the technical knowledge of the women trainers, 105 technical classes for the women technicians (in-service training) were organized by the National Professional Project Personnel in the Kabul, Kunduz and Jalalabad centers.
- Organized 9987 technical classes (on average one hour each) for the 25289**,** selected village women in 12 districts (199 villages) of Nangarhar, Kunduz and Parwan Provinces. Follow up technical assistance and input supplies (at full cost) are being provided to the previous groups of trainees.
- In addition to the above-mentioned selected trainees about 5,238 other interested village women also attended the classes at their own initiative.
- 12921 practical training visits were made by the women trainers to the houses of the village women under training.

Distribution of Materials and Vaccinations

6,404 feeders**,** 6,360 drinkers, 127,837 kg of poultry ration and 12,220 meters of wire mesh were provided and sent to Jalalabad, Kunduz and Baghlan for distribution.

PPGs' activities

- Vaccinated about 182,527 chickens against Newcastle's Disease
- Treated about 10,350 chickens with diseases and parasites
- Sold about 66,559 metric tons of balanced poultry feed
- Constructed chicken coops for 6,786 selected families
- Village Group Leaders marketed 171,142 eggs produced by families in the PPGs

Extension Activities

- Organized 106 meetings of the technical staff to exchange experiences and to solve field problems. The Village PPGs organized 228 meetings in which more than 5,441 village women participated. They discussed their common concerns, for example, vaccinations, revolving funds, and other poultry service delivery.
- The Village Group Leaders (VGLs) made 11,660 visits to the houses of other trained families

and gave technical advise and assistance.

Looking Ahead

- Continuation of training of approximately 6480 selected women beneficiaries in 12 districts (199 villages) of Parwan, Kunduz, and Nangarhar Provinces. In addition, about 6000 interested village women will also participate
- Vaccination of more than 226000 birds by the VGLs
- Providing treatment/health service delivery for about 9000chickens by the VGLs
- Selling of 262000kg feed by the Group Leaders of the PPGs.
- Distribution of more then 50000 pullets in the targeted provinces
- Organizing 68 technical meetings in Parwan, Kunduz and Nangarhar provinces for the women trainers
- Organizing 68 technical classes for the women technicians to upgrade their working knowledge in Parwan, Kunduz and Nangarhar Provinces

Challenges Encountered

- The flood hazards, particularly in Ghazni and Baghlan provinces have caused delays in the completion of the coops construction. This has caused some delays with the training of the families.
- Good quality poultry vaccines and medicines are not accessible locally. Their import from Pakistan is done with some difficulty.
- Hot weather has made the distribution of the pullets to the villages difficult.
- Due to security reasons it is not easy to expand the activities to some target districts in Nangarhar and Ghazni provinces.

Project Manager Comments

- FAO indicated to RAMP that they were going to expand the Project activities to Panshir province. This expansion is recommended.
- The women groups in Kunduz and Ghazni need a source of credit for further and sustained development of poultry production.
- If security improves, the Project activities in Ghazni need to be expanded to meet the Project's targets or Project activities in other provinces need to be expanded to make up the shortfall.

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Potato Seed Distribution and Technical Assistance

International Center for Agricultural Research in the Dry Areas (ICARDA)
Life of Project: 10-Nov-03 to 30-Jun-06
Provinces: Ghazni, Nangarhar, Helmand, Parwan, Kunduz

Job Order No.	Date of Award	Project Manager	USAID CTO	USAID CO
JO#6-0004 ICARDA	10 Nov 03	Abdul Qahar Samin	Dan Miller	Margaret Kline
Ceiling Price	**Quarter Expenditures**	**Cumulative Expenditures**	**Accruals to Date**	**Balance**
$695,644.63	$53,579.67	$233,157.67	$38,303.90	$424,183.06

Project Description: ICARDA and its subcontractors are providing technical guidance for needs assessment, machinery, equipment, purchase of start-up inputs, and training for virus-free potato seed production, multiplication, storage and marketing

Expected Results: An operational in-vitro based seed production laboratory and screen houses established; seed produced through tissue culture available to selected seed farmers.
Capacity Building: 1,000 farmers trained as commercial seed producers; 24 on-farm storage units built and utilized by potato seed growers resulting in the reduction of seed storage losses.
Enhanced Livelihoods: 10,000 farm families with increased production and incomes through using virus-free potato seed

Key Accomplishments this Report:

- A total of 71.4 mt of clean seed potato was stored in country stores in Ghazni province. After storage, the seed potatoes were distributed in the spring to farmers for multiplication and demonstrations purposes in the following provinces:
  - 15.0 mt in Kunduz
  - 15.0 mt in Helmand
  - 3.5 mt in Nangarhar
  - 37.9 mt in Ghazni
- Twenty sites in Nangarhar, Ghazni, Bamyan, Kunduz, Parwan, and Helmand were selected or in the process of being selected for additional country storage units (owned and operated by farmers). Construction of storage units was 20-50% complete in all provinces except Bamyan and Kunduz.
- Extension agents provided farmers continued technical assistance in pest and disease management, weeding, rouging, earthing up, irrigation, and harvesting, which is complete in Kunduz, Helmand, and Nangarhar provinces.
- 280 Progressive farmers, seed producers, officials of MAAHF, and staff of NGOs and other cooperating and implementing agencies were trained in different practical aspects of Integrated Crop Management (ICM) of clean seed potato production and multiplication. To reach as many farmers as possible, the training, which took place in five provinces, was covered by national and international electronic and print media, such as BBC, Voice of America, Radio Tehran, Cable and Provincial Radio, and TV.
- Twenty-two clean seed potato demonstration plots were established in Ghazni and Parwan provinces. Thirty-four progressive seed growers in Kunduz and Parwan were supplied 30.5 metric tons of seed potatoes.
- After very successful rainfed production of potatoes in demonstration plots in rainfed areas in Kunduz this year, ICARDA is encouraging farmers to grow potatoes in rainfed areas in many areas of the northern provinces. The cost of production in rainfed areas was considerably less than that of potatoes produced in irrigated areas because weeding was less of a problem.
- The improved potato varieties introduced by the Project have caught the interest of many farmers who are regularly contracting the regional coordinators for seed potato and technical advice.

Looking Forward

- The cultivated area of ware potato has increased significantly in the northern provinces. This has resulted in a higher demand for seed potato. ICARDA will need to work on a plan to establish linkages between the farmers of the n0orthern provinces and farmers of Ghazni who will have surplus seed potato at the end of the season.
- The promotion and marketing of seed potatoes will be trained to extension agents, regional coordinators, and farmers. Technical assistance to farmers will be provided by the extension staff and regional coordinators
- The number of farmers that receive clean seed potatoes and training from the project activities needs to be increased in order to reach Project objectives. The production and sales of the potatoes of these farmers adopted the technology needs to be accurately collected and reported
- At least one trained technician in operating the tissue culture laboratory will be hired by ICARDA to operationalize the laboratory and to assist in the training of MAAHF and others. Production of high-quality basic seed will be initiated at the laboratory.
- The 20 seed potato storage units will be finished and seed potatoes stored until the seed is sold or used in potato demonstrations

Challenges Encountered

- The promotion and marketing of the seed potatoes needs to be given paramount attention. As more and more farmers start producing both seed potatoes and ware potatoes, the marketing of the seed potatoes and the ware potatoes will become increasingly important.
- Hiring a tissue culture technician from overseas for about two months to work at the tissue culture laboratory has been difficult due to the poor security situation in Afghanistan. However, more effort must be made to contact technicians that work in the private sector that are typically more likely to come and get the job done
- A large number of farmers participated in potato ICM trainings in five provinces. However, participation of MAAHF in such trainings was not encouraging and needs to be improved. The matter was discussed with respective authorities in the provinces.

Project Manager Comments

- ICARDA's experiment with planting a second crop of potato in August/September in Nangarhar and Helmand was a new and highly profitable program and should be extended to Kunduz this year.
- Marketing of seed potatoes must be the lead activity of the project
- The design and the procedures for storing and stacking the bags of seed in the seed storage units needs to be reviewed and improved
- The tissue culture work needs to be initiated to provide the results needed to have a sustainable flow of improved seed potatoes

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Village Seed Enterprise Program

International Center for Agricultural Research in the Dry Areas (ICARDA)
Life of Project : 10-Nov-03 to 30-Jun-06
Provinces: Nangarhar, Kunduz, Helmand, Parwan, Ghazni

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#7-0004-ICARDA	10-Dec-03	M. Alem Alemi	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,448,635.49	$223,753.42	$765,348.41	$146,832.90	$536,454.18

Project Description: ICARDA will develop village based seed enterprises (VBSE) as well as conduct market surveys, needs assessments, monitoring and evaluation. Technical assistance will be provided to selected entrepreneurs on appropriate machinery, equipment, storage facilities, start-up inputs, and business management. .

Expected Results
1. Capacity Building: 50% of the village-based seed enterprises achieve financial viability; 180 farmer/extensionists trained and 750 farmers exposed, through farmer-field days, to technology used in production and marketing of seed
2. Enterprises Developed: 20 village-based enterprises developed; 200 farmers operating commercial seed marketing
3. Enhanced Livelihood: 2,000MT quality seed produced annually; 40,000 farm families grow quality seed annually; Yield of staples (wheat, rice and legumes) increases by 10% over the current level; Crop diversity and the share of high-value crops in the cropping system increased by 15% and 20% respectively.

Key Accomplishments This Report:

VBSE leader in Jalalabad

- Dr. Bill Gregg, a Seed Enterprise Development Consultant, Dr. Ghulam Bahram, ICARDA's Agricultural Economist, and Dr. Kofi Amegbeto, a Seed Marketing Specialist, held a development planning meeting with 66 VBSE leaders of 20 VBSEs from 5 provinces at ICARDA's main office in Kabul. At the meeting, various aspects of the VBSEs' business plan, its importance as a vital planning tool for investing in and operating a business and for sourcing credit from lending or leasing institutions, and the profitability of the VBSEs were discussed.
- Two training courses were conducted for 104 seed producers, extension agents, and others in Nangarhar, Kunduz, and Parwan provinces on variety identification, seed certification, processing, storage, and economics of seed production.
- Two field days, conducted in Behsud and Sukhroud districts in Nangarhar with 150 participants, were held to show farmers the best agronomical practices to produce clean and healthy seeds.
- Fifteen seed cleaning machines with a capacity of 5 mt/day were purchased and imported by ICARDA into Afghanistan and some of them were distributed to existing VBSEs in the five provinces. The Provincial Reconstruction Team in Ghazni province provided the Qarabagh VBSE a seed cleaner, tractor, thresher, plow, cultivator, leveler, and tractor trailer as a grant.
- ICARDA is working with the Afghan Finance Company and the individual VBSEs in getting the VBSEs leases on farm machinery.
- The ICARDA Project field teams provided technical and administrative assistance to the 17 VBSEs that have or will have about 400 ha of seed multiplication plots of wheat, potato, tomato, onions, chickpeas, rice, and vetch that were planted.
- The VBSEs in Nangarhar and Kunduz have harvested much of the wheat for seed and the seed wheat is being stored or sold. VBSE members in Parwan were assisted in establishing formal contacts with potential buyers of more than 50 mt wheat seed.
- A credit for seed wheat program was initiated by the IFDC and three VBSEs in Kunduz. The VBSEs have a warehouse built by the Grain Industry Alliance (GIA) that will be used to store their wheat seed while they receive credit for up to 80% of the value of the seed.

- Two new VBSEs (in Nawa and Grishk districts) were formally established and new members were trained on business management and record keeping.
- ICARDA coordinated its VBSE Project activities with other RAMP Projects, including other ICARDA projects (crop demonstrations, protected agriculture, and clean seed potato), the GIA (on storage and warehousing), Central Asia Development Group (on crop demonstrations in Helmand), and IFDC (on input and input credit supply).

Looking Forward

- Dr. Gregg and Dr. Bahram will complete practical business plans for the VBSEs, Gantt charts showing how these VBSEs will become viable businesses, present the plans to RAMP for review, and train the VBSEs, ICARDA Regional Coordinators and Extension agents on implementation requirements.
- Assist each VBSE in implementing their business plan, including, among other things, assisting them in recording all seed multiplication plot yields, amount of seed sold and cash received from the sale, amount of seed stored, and amount of seed used for own farming.
- Assist VBSEs in storing their seeds efficiently and effectively in warehouses, holding bins, and other storage facilities.
- Assist VBSEs in seed cleaning, treating, and marketing their seed.
- Finish distributing the remaining seed cleaners to the VBSEs
- Continue coordinating project activities with other RAMP-implementing partners and the Provincial Agricultural Directors and Extension Heads in the five priority provinces.
- Report results of post-harvest and seed demand survey and profitability assessments.

Challenges Encountered and Remedial Actions Taken

- ICARDA must come up with a practical and meaningful business plan for each of the VBSEs that reflects the administrative and technical capacity and financially feasible needs of each VBSE and a roadmap for how each VBSE can become a viable business.
- Though ICARDA has conducted training programs in seed cleaning and has trained the VBSEs in the need for seed testing, the VBSEs must be shown how to use their new seed cleaners effectively and efficiently and how to get their seed tested, treated, and marketed.
- To keep VBSE members from selling their seed immediately at harvest at low prices, ICARDA needs to assist the VBSEs in pursuing credit opportunities such as that offered by IFDC to VBSEs in Kunduz.
- Many members of the VBSEs do not have proper storage facilities for their seeds. Once VBSEs are generating income and have sufficient assets for collateral, ICARDA should assist them in getting loans for constructing proper and cost effective storage facilities.
- For VBSEs to obtain the farm machinery and other inputs that are needed to allow the Association to better serve its members, ICARDA must assist the VBSEs in developing strong business plans and sufficient collateral so that the VBSEs can obtain credit and/or lease agreements.

Project Manager Comments

- ICARDA must assist all VBSEs in getting properly registered and equipped with effective by-laws.
- ICARDA must assist the VBSEs in promoting and marketing their seed in the most effective and profit maximizing manner (e.g., through an auction).
- As part of the marketing assistance, ICARDA must help the seed growers in accessing timely market information by contacting organizations that are regularly collecting price information in Afghanistan.

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On-Farm Demonstrations and Best Practices Project

International Center for Agricultural Research in the Dry Areas (ICARDA)

Life of Project : 10-Nov-03 to 30-Jun-06
Provinces: Nangarhar, Kunduz, Helmand, Parwan & Ghazni

Job Order No.	*Date of Award*	*Project Manager Contact*	*USAID CTO*	*USAID CO*
JO#8A-0004-ICARDA	10-Nov-2003	Abdul Qahar Samin	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,678,861.29	$323,405.89	$737,124.29	$144,788.06	$796949.94

Project Description: ICARDA will develop demonstration plots in farmer's fields throughout the 5 RAMP target provinces to facilitate the rapid diffusion and adoption of new technologies, improved and adapted varieties, improved field irrigation management practices, and appropriate crop management.

Expected results: : It is expected that about 25% of the farmers observing the crop demonstrations and understanding the improved technologies will adopt best practices. The adoption of best practices by farmers will lead to productivity increases of 25-35%. Farmers adopting the best practices are expected to realize higher net incomes per hectare of cultivation of an average of approximately 20%.

Key Accomplishments this Report:

- Farmers with 352 demonstrations of wheat, potato, onion, tomato, okra, mung beans, cotton, and peanuts in Kunduz, Helmand, Parwan, Ghazni, and Nangarhar provinces were guided on best cultivation practices. Tomatoes and onion seedlings were grown in plastic tunnels until they were transferred to the demonstration plots.
- Conducted 16 field days (6 in Kunduz, 4 in Nangarhar, 2 in Parwan, and 4 in Helmand) that highlighting the best practices in wheat and vegetables. A total of 2287 farmers, staff of MAAHF, and personnel of other organizations attended.
- Extension workers contacted 10,462 farmers and trained a total of 1,682 farmers in the 5 priority provinces. A total of 14,896 farmers visited the demonstration plots.
- Farmers harvested wheat demonstration plots in Helmand, Kunduz and in Nangarhar. In Nangarhar, where harvest was completed, an average yield of 4.1 mt/ha was obtained as compared to 2.6 mt/ha in the local farmers' fields. This 54% higher yield was even higher than the 38% higher yield demonstrated last year between the demonstration plots and the local farmers' fields.
- An adoption survey was conducted by ICARDA and the results are being analyzed.
- The results from the over-wintering Sunn pest survey done by ICARDA in December were used in the planning of the Sunn pest work completed in June.

Looking Forward

- *Complete results from the harvest of the demonstration plots of wheat and potatoes will be analyzed and reported.*
- *Farmers will be provided technical guidance on best practices by the extension workers through field days and by visiting the 160 demonstrations of the summer crops.*
- *The results of the adoption rate of best practices for the winter crops will be reported.*
- An adoption rate survey for summer crops will be coordinated with ICARDA
- The 2005-06 crop demonstration program will be determined.

Challenges Encountered and Remedial Action Taken

- With the deterioration of security in Helmand province, field days had to be postponed to a later date. Field days are an integral part of the outreach and extension program and have an impact on adoption rates by farmers. Through radio broadcasts and distribution of pamphlets that explain the best practices, ICARDA is able to make up for the lost opportunities of fewer field days in Helmand.
- In Ghazni province, approach roads to demonstration sites in Nawar district were in poor condition due to severe weather conditions and not accessible. Therefore, transportation of inputs was delayed and growing tomato and onion seedlings under tunnels was cancelled. Instead, ICARDA grew extra seedlings of these crops in other districts and when possible transported the seedlings to Nawar district at a suitable time.
- Floods damaged or completely destroyed numerous demonstrations in Ghazni, Nangarhar, and Kunduz provinces.

Project Manager Comments

- Farmers are responding to the demonstration of best practices of various crops by following many of the best practices and regularly requesting the demonstrated inputs and technical assistance from ICARDA's extension agents, regional coordinators, and agricultural technicians.
- Farmers that want improved seed of crops demonstrated by ICARDA should be introduced to the Village Based Seed Enterprises in their respective provinces.
- ICARDA needs to continue to invite IFDC to the field days so that the farmers also gain an understanding on the availability and importance of quality inputs.

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Direct Seeding Agriculture Project

International Assistance Mission

Life of Project: October 19, 2004 – October 19, 2006

Provinces: Kabul and Kunduz

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#8B-0004-IAM	19-Oct-04	Dr. Abdul Qahar Samin	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$62,470.00	$0.00	$0.00	$40,551.41	$21,918.59

Project Description: The project aim is to examine the use of a John Deere direct seeder for dry land wheat production through trials in Kabul and Kunduz provinces of Afghanistan.

Key Accomplishments this Report:

- Four field days were conducted at the project sites in Kunduz province. The field days included consultations with more than 150 farmers and Afghan government officials on their perceptions of the minimum tillage technology and its possible application.

- Best practices for minimum tillage farming were demonstrated and the harvesting and threshing of the harvested wheat in the demonstration plots in Kunduz were completed.

The plots shown at right have been carefully marked out to ensure all treatments are kept separate

Looking Forward

- Collect and analyze the data from the Kunduz trials, interpret the results and present the findings

- Purchase the wheat seed required for planting during the next season
- Continue to monitor the progress of the Kabul wheat trials under minimum tillage. Harvest, thresh, and report the results.

Challenges Encountered and Remedial Action Taken

A plot thresher was not available, so the wheat from the trials was threshed by hand.
The budget allocation for harvesting using a thresher needs to be modified.

Project Manager Comments

IAM has been instructed to:

- collect all data of wheat trails and analysis of data and send it to RAMP office as soon as possible.
- IAM should plant the same number of trials (at least 3) in each of the four districts in Kunduz.

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Introducing Protected Agriculture in Marginal and Water Deficient Areas

International Center for Agricultural Research in the Dry Areas (ICARDA)
Life of Project: November 10, 2003 – June 30, 2006
Provinces: Nangarhar, Kunduz, Helmand, Parwan & Ghazni

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#9-0004-ICARDA	10-Nov-03	Alem Alemi	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,279,682.38	$389,318.10	$ 653,433.56	$109,714	$516,534.82

Project Description: ICARDA is introducing protected agriculture for cash crop production in marginal and water deficit areas of Afghanistan. The project is promoting the adoption of affordable and sustainable protected agricultural systems to produce high value crops, using marginal or otherwise non-productive lands and water more efficiently, by establishing a central demonstration and training site within Kabul and by installing simple greenhouse structures at selected pilot sites with participating farmers.

Expected results (by end of project):
Capacity Building - Establishment of one private sector plastic greenhouse fabrication shop; Establishment of 25 independent greenhouse enterprises.
Enhanced Livelihood – At least five fold increase in the production of cash crops compared to open field production system; 1.2Ha land under greenhouse technology; Farm familes participating in the greenhouse systems of production will experience at least a three-fold increase in annual net returns on a per hectare basis.

Key Accomplishments this Report:

151 Farmers were trained at Farmers' Field Schools in various aspects of vegetable production in greenhouses (GHs) and 512 farmers attended Field Days in six provinces. A good number of farmers expressed their desire to install GHs on their own expenses. Project team is working with them to find out about the exact number of farmers who are willing to pay and get installed GHs under the supervision of project.

Province	Training	# Farmers Trained	Training Type
Ghazni	Farmers Field School	71	Pruning of lateral tendrils, branches, extra fruits
Kabul	Farmers Field School	20	Technical constraints/problems
Parwan	Farmers Field School (FFS) Field Day (FD)	42 200	FFS: Various aspects of PA and cash crop production FD: Pruning of lateral branches, tendrils and extra fruits
Kunduz	Field Day	92	Crop production in GHs
Nangarhar	Field Day	220	Crop production in GHs
Helmand	Farmers Field Day	18	Crop management
Total		663	

Participants in the Farmers' Field School at Charikar

Five greenhouses for farmers were constructed in Kabul, Kunduz, and Parwan. Three GHs (6m x 26m x 2.2m) were installed at the Protected Agriculture Center (PAC) as examples of a smaller, more economical structure for growers. In the existing greenhouses, cucumbers were grown under established irrigation and fertigation schedules.

Province	# Greenhouses Constructed this quarter	Total # Greenhouses Operating	End-of-Project # Required
Kabul	4	8	3
Parwan	2	2	5
Nangarhar	0	2	5
Helmand	0	2	5
Kunduz	2	2	5
Ghazni	0	2	5
Total	5	23	28

Six Afghan trainees were sent to a three week on-job training course at Al-Busaily Training Center of Central Laboratory of Agricultural Climate, Cairo, Egypt. Participants of the course were trained in greenhouse management techniques and methods of integrated production and protection management in protected agriculture. Data collection from the main fruit and vegetable market continued.

Looking Forward

- Organize and assist the farmers interested in constructing and operating their own greenhouses similar to ICARDA's greenhouses.
- Construct six more greenhouses on farmers' land in Nangarhar, Parwan, and Ghazni.
- Organize of mid-season workshop
- Organize of Advance Integrated Production and Protection Management (IPPM) course for 'Trainers' at PAC Kabul.
- Organize of Advance IPPM training course for growers from pilot provinces at the PAC in Kabul.
- Install ten new greenhouses in five pilot provinces.
- Procure plastic cover, mulch, irrigation materials and agro-chemicals, and transport to various sites in five provinces.
- Produce GH-skeleton for small GHs at greenhouse manufacturing workshop.
- Monitor crops at the PAC and at growers' sites.
- Continue collecting prices at the fruit and vegetable market in Kabul.

Challenges Encountered and Remedial Actions Taken

- Farmers who are interested in constructing and operating their own greenhouses must be identified and assisted in making their investment
- Security and protection of GHs at farmers' fields is a serious concern.
- Situation in Helmand remained very insecure, therefore, the PA Project had to change the installation site of one of the greenhouses on farmer's land.
- Greenhouse at Kariz-Mir was totally damaged by the strong wind storm. Project team selected a safer site for its relocation and completely re-installed and re-planted the greenhouse.
- Project Manager's Comments
- Emphasis must be placed on providing assistance to the farmers and others seriously interested in investing in their own greenhouses.
- ICARDA must develop an efficient and sustainable method for making all construction materials for greenhouses available for interested investors
- The profitability of greenhouses must be developed by ICARDA to instruct to extension agents and farmers.
- The Regional Coordinators in each province should be able to assist farmers in operating their greenhouses and constructing new ones. Outside consultants should no longer be needed to provide the farmers technical assistance.

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Shomali Plains Road Upgrade
Agence d'aide a la Cooperation et au Developpement (ACTED)
Life of Project : 01-Dec-03 to 31-Jul-05
Provinces: Kabul, Kapisa, Parwan

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#10-0002-ACTED	01-Dec-03	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$729,255	$221,398	$598,122.60	$0.00	$131,132.40

Project Description: ACTED has rehabilitated the Main Shakh and Canal roads. They are continuing their work on the Nahri Charikar canal irrigation system.
Expected Results: Rehabilitation of 17.7 km of canal along with an improved water supply to irrigated areas.

Accomplishments this report:

Transport and irrigation improvement are prerequisites for improving the comparative advantage of farmers of the Shomali Plains. Rehabilitation of roads reduces the transport cost of crops exported from the agricultural catchment areas to urban markets. Improvement of canal increases the number of hectares served with a reliable supply of irrigation water and leads to higher yields of crops.

Road Rehabilitation

9.6 kms. of Main Shakh and 11.8 kms. of Canal Road have been rehabilitated.
The following photos were taken on the same spot of Main Shakh and Canal road before and after rehabilitation during September 2004 and May 2005 to illustrate the difference on the structure of roads.

Canal road - 4.6km - before

Canal road - after

Canal road – 5.3km – before

Canal Road - after

Main Shakh Road – 1.8km – before

Main Shakh road - after

The Nahri Charikar Canal
The Nahri Charikar Canal provides irrigation facilities to an estimated 7,000 hectares in 6 valleys. It is fed by Ghorband River and flows from the Bamyan Valley.

In order to restore the original capacity of the canal to deliver water, the debris of the canal were cleared and de-silted. This work was done with a combination of machine and unskilled labor and will allow the canal irrigation water to once again flow freely through the Shomali Plains to beneficiary farmers. The canal is being widened by a meter along its entire length, often doubling the width of the canal, which will allow more water to flow through the canal and provide irrigation to more land.

m^3	April	May	June	July	August	September	October	November	December	January	TOTAL
Earth Removed by wheelbarrow	420	180	200	150	100	300	5950	6400	4500	1617	19817
Earth Removed by track	0		115	80	120	400	435	500	2480	200	4330

Benefits:
Rehabilitation of Sinjid Dara, Canal and Main Shakh road has reduced the time required for traveling on these roads. Time required for traveling from Main Shakh and Canal road to the market centre at Charikar has been reduced from 2 hours to 30 minutes and from 60 to 25 minutes. Similarly the time required for traveling along the Sinjid Dara road has been reduced from 30 to 10 minutes.

Looking Ahead:
Rehabilitation work (cleaning the bed, widening the canal, constructing retaining walls and water outlets) will continue on the Nahri Charikar Canal.

Project Manager Comments:
ACTED has demonstrated that they have the ability to rehabilitate roads to our standard. The results of the California Bearing Ratio tests indicate that the results are higher than the required 60 percent indicating that the structural properties of gravel base are satisfactory. The compacted thickness of the gravel base in different locations is greater than the required 20 centimeter. They adopted labor-intensive construction technologies and provided employment opportunities to farmers from the influence area of the road corridor.

Quarterly Report Q2 FY05 **FINAL REPORT**

Kanday Road Reconstruction
Mission d'Aide au Developement des Economies Rurales en Afghanistan (MADERA)
Life of Project : 15-Dec-03 – 25-Jun-04
Provinces: Kunar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#11-002-MADERA	15-Dec-03	Khodaidad	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$448,131	$0.00	$448,131	$0.00	$0.00

Project Description: MADERA has rehabilitated a collapsed section of the Kanday road, connecting Jalalabad and Assadabad, and constructed a stone masonry protection wall, diversion channel and a dumped rock and gabion dike to prevent erosion of the road during floods.

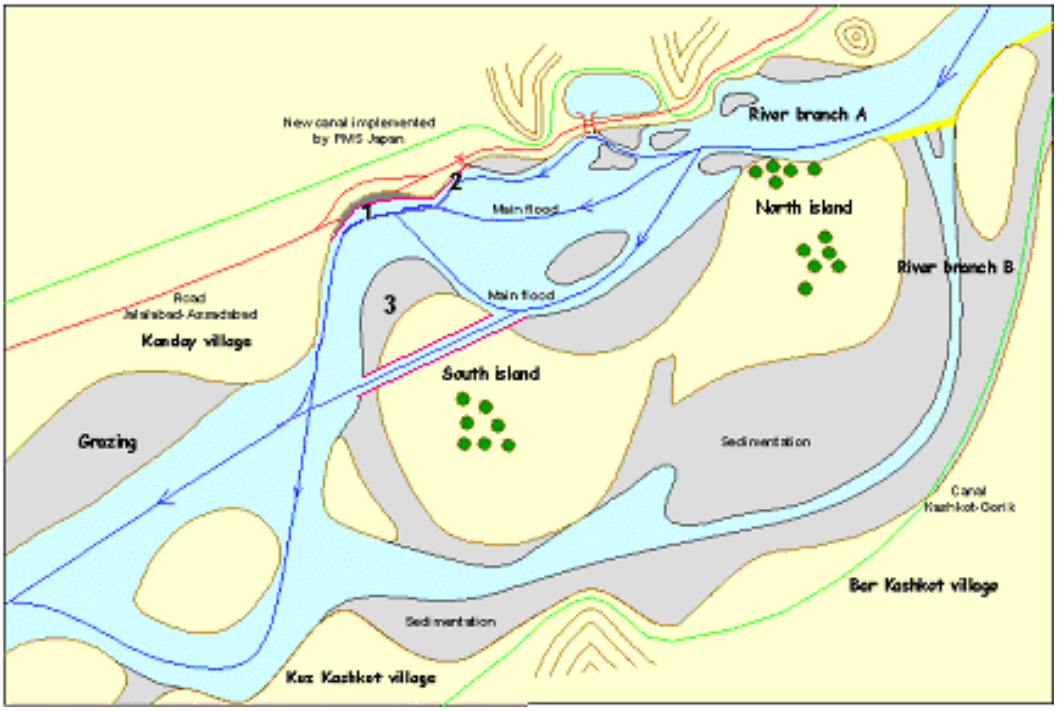
Expected Results (at end of project):
Enhanced Livelihood – 500,000 farm families with improved access to markets; 5,100 hectares receiving improved irrigation; and 6,850 person-days of employment.

Project Complete:

This completed project was undertaken because the Kunar River had, during floods, eroded its 3- to 5-meter high right bank near Kanday Village and effectively severed road communications between Jalalabad in Nangarhar Province and Assadabad in Kunar Province. The restoration work was undertaken in cooperation with PMS, a Japanese NGO who were building a new irrigation canal upstream from the site of the collapsed roadway. Objectives of this project were to redirect flow of the Kunar River away from the right bank, protect villages and agricultural lands, restore the main road between Nangarhar and Kunar Provinces and construct flood protection works for the benefit of the PMS canal.

Elements of Construction included: Retaining Wall, Channel Cut and Road Restoration

The project has been completed and the performance targets have been achieved for each activity.



Several adaptations of the original design were made during construction. Among the most important of these were, extension of the bank protection dike into the channel to further induce the river to move toward the middle of this highly braided river, enlarge the channel designed for river straightening by integrating work with that of PMS, and the combining of gabions and large dumped stone to stabilize the relocated dike.

Sedimentation occurred along the protection wall dike following a major flood during 2004. The sedimentdeposits provide additional assurance of the stability of the works and indicate that the right bank heights are not likely to be attacked by high flow velocities. A further measure to ensure stability of the works is a possible program of aforestation on the dike and embankment to stabilize it against erosion.

Beneficial sedimentation due to redirection of flow and construction of the protection wall along the river bank

In conclusion, the primary objectives of this project were achieved in that the eroded embankment and roadway were restored, flood flows have been redirected from impinging on the right bank heights to mid-channel, works were built for the protection of two irrigation canals, and erosion of the main road between Nangarhar and Kunar/Nuristan provinces has been forestalled perhaps permanently. A tree planting program has been mooted for the bench area of the reinforced dike and along the adjacent river bank.

Quarterly Report Q2 FY05 **FINAL REPORT**

Market Based Production Project

Agence d'aide a la Cooperation et au Developpement (ACTED)
Life of Project: 21-Dec-03 to 27-Feb-05
Provinces: Parwan, Kapisa, and Kabul

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#12-0004-ACTED	21-Dec-04	Abdul Qahar Samin	Daniel Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,800,000	$0.00	$610,089	$269,811	$920,100

Project Description: ACTED will work with farmers in the Shomali Plains to rehabilitate orchards and vineyards, establish nurseries, develop fruit processing by constructing innovative low-tech facilities (greenhouses, solar dryers and storage warehouses) as income-generating activities with a priority on women's involvement.

Expected Results
1. Capacity Building: 3 agriculture cooperatives revitalized; The management and technical competency of 90 DCC members, 16 technicians and 10 cooperative members enhanced through sustained training; 3 women DCCs established and 430 women access the coops: 70 women trained in income generating and small business activities; Agriculture best practices spread among 1,500 persons (1,070 men and 430 women)
2. Enhanced Livelihood: 385Ha vineyards and orchards revitalized with the provision of rootstocks and saplings; Average fruit productivity increased by 35% and total marketable output by 40%; Input supplied for 1,200 ha of land to plant with cereals and vegetables; Average cereal and vegetable productivity increased, respectively, by 25% and 15%; 1,290 cooperative members double their income; 102 households double their income by constructing greenhouses for seasonal vegetables.

Accomplishments This Reporting Period

The ACTED subcontract was terminated. By April 15, ACTED will have completed the transfer of project assets and end all project activities.

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Livestock Health, Production, and Marketing Improvement Program

Dutch Committee for Afghanistan (DCA)

Life of Project: January 6, 2004 - June 30, 2005
Province: Nationwide

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#13-0004-DCA	06-Jan-04	Daad Mohammad	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$11,995,453	$4,682,146.66	$5,748,994.88	$684,267.37	$5,562,190.75

Project Description: This project will create a national network of private veterinary field units (VFU) capable of providing livestock health services in all 380 districts of Afghanistan. DCA will also train sufficient numbers of Para-veterinarians (paravets) to staff and service the national network, and create a livestock health, production, and marketing information system that link this private paravet network with government departments on such issues as disease surveillance, livestock inventories, and trans-border issues.

Expected Results (by end of project):
Capacity Building – 360 financially sustainable VFUs established; 540 paravets trained
Enhanced Livelihood – Annual livestock population increased by 10%; 2 Million farm families with increased food security.

Key Accomplishments this Reporting Period

The number of vaccinations, medications, and other veterinary services administered by DCA and its Implementing Partners, including Afghan Veterinary Association (AVA) and Partners in Revitalization and Building (PRB), during the reporting period was 2,914,635, 1,335,807, and 161,277, respectively. A total of 6,100,000 doses of ETV, ovine haemorrhagic septicaemia, anthrax, and CCPP were distributed around the nation. During the reporting period, there was a high incidence of foot-and-mouth disease, enterotoxemia, and PPR.

Forty-one new Veterinary Field Units were established during the reporting period (see below). In addition, Solidarites, a French NGO working in Bamyan province, want to end their emergency relief support to livestock farmers and want to adopt the privatization policy of the DCA-RAMP project. The NGO requested DCA-Kabul to take over their support in animal health services in four districts in Bamyan province. Existing paravets in these districts in Bamyan are expected to contract with DCA.

Province	# New VFUs	# Existing VFUs
Mazar	**2**	**22**
Kunduz	**1**	**16**
Baghlan	**1**	**18**
Takhar	**2**	**13**
Nimroz	**10**	**3**
Kandahar	**25**	**8**
Other		**280**
Total	**41**	**360**

The number of paravets and others being trained plus the number who have finished training at DCA's training centers reached 205.

Training Center	# New Trainees	# Ongoing Trainees	# Trainees that have Completed the Course	# Taking Refresher Course
Charikar	27		48	29

Mazar	21	21		
Heart	20		14	25
Total	**68**	**21**	**62**	**54**

A cold chain was initiated with 6 cold storage units (for storage at the DCA Central Store and regional stores) ready to be installed with generators and 70 solar-powered refrigerator/freezers being procured for district centers.

There were significant special programs, consultancies, and meetings organized.

Technical Program	Implementation	Implementer
Privatization of clinical veterinary services	International Veterinary Symposium in Kabul	- Dr. Bernard Vallat (Director General of the OIE) - Dr. Cees De Haan (Senior Livestock Advisor, World Bank) - Dr. Jeff Mariner (Tufts University School of Veterinary Medicine)
Livestock Steering Committee	First Meeting at MAAHF in Kabul	MAAHF, RAMP/Chemonics, DCA, AVA, USDA, EU, FAO, Madera
Establish a sustainable vaccine and medicine distribution system	Short-term Consultancy	Dr. Joachim Politz and Dr. Peter Viertel
Re-establish the clinical teaching program	6-month Consultancy	Dr. Jim Knight
Participatory disease surveillance	Seminar	Dr. Jeff Mariner
Outreach and extension	Short-term Consultancy	Dr. Tooralei Wesa
Evaluate the DCA's present reporting system of livestock health problems in order to merge with the FAO reporting system	Two-day workshop	DCA Managing Staff

Looking Ahead

- The monitoring and support to the different VFUs will continue as usual, especially with regard to the refurbishment, reconstruction, distribution of new motorbikes, the distribution of veterinary equipment from the Netherlands and Pakistan and the distribution of veterinary medicines procured by AVA and a local company.
- The six cold rooms will be installed at the DCA Kabul main office and at the 3 regional offices in Herat, Mazar and Jalalabad.
- The identification of new locations for privatized VFUs and candidates to be trained as new paravets will continue.
- The data collection on animal health, livestock production and marketing from 300 farmers in 30 villages in the different DCA-RAMP regions will continue according to schedule.
- At the VTSC in Mazar-i-Sharif the final examinations will start for the 21 new-Paravets presently in training there. At the VTSC in Charikar the 27 new-Paravets will start their practical training classes in the clinics, while the 20 new-Paravets in Herat will continue their theory and practical training.
- The short-term monitoring consultant, Dr. Euan Thomson, will complete his mid-term evaluation on the survey and data collection on livestock production and marketing.
- The short-term consultant, Dr. Jim Knight, will complete his advisory mission at the Kabul Veterinary University Clinic.

- The consultant, Dr. Joachim Politz, will continue to work on the implementation of a sustainable vaccine and medicine distribution system, plus contribute in the establishment of the cold chain system for vaccines.
- DCA will work along with FAO and the Veterinary Department of the MAAHF to solve the acute and very serious problem of foot-and-mouth disease outbreaks around Afghanistan

Challenges Encountered

There are NGOs who are not following the full policy on privatization of veterinary field services. DCA is signing protocols with each of these NGOs in order to gain better cooperation. Such a protocol has been signed between DCA and AKDN. In this protocol it is stated that DCA and AKDN along with PRB and the Provincial Government Veterinarians will solve the problems at the respective locations within 3 months time.

New questions and problems came up during the last Livestock Steering Committee meeting about the respective working areas of Mercy Corps, Madera and AVA. This relates to districts and VFUs in the following provinces: Kandahar, Helmand, Uruzgan, Laghman, Nuristan, Kunar and Wardak.

There are numerous reports of outbreaks of foot-and-mouth disease from many places in Afghanistan resulting in some mortality of young animals and loss in production. During the last Steering Committee meeting of 27th June this problem was discussed. The MAAHF and Veterinary Department agreed (as a short-term solution) to the import of FMD vaccines by DCA-RAMP and to the distribution of these vaccines via the network of DCA-RAMP VFUs on a cost-recovery basis. As a medium-term solution, the FAO Transboundary Disease Program will develop a strategy to control FMD outbreaks in Afghanistan.

Project Manager Comments

- For many VFUs, the amount of vaccines and medicines supplied has not been sufficient to meet the VFUs' demands in their coverage areas.
- To improve and strengthen the veterinary service in rural areas, veterinary instruments and motorcycles for VFUs are urgently needed and should be supplied at the time the VFUs begin to operate
- Improved coordination between the Ministry's Veterinary Department and DCA is needed.
- A new veterinary strategy and policy framework needs to be developed through the Livestock Steering Committee.

Quarterly Report Q2 FY05 **FINAL REPORT**

Bridge Construction in Aga Khil

Agency for Rehabilitation and Energy Conservation in Afghanistan (AREA)
Life of Project : 07-Jan-04 to 15-Feb-04
Provinces: Wardak

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#14-0002-AREA	7-Jan-04	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$2,454	$0.00	$2,454	$0	$0

Project Description: AREA reconstructed the bridge (24 meters long, 3 meters high with 42 culverts) near Aga Khil in Wardak which connected Ghazni-Hazarajat market centers. Also, 42 km of road rehabilitated including 42 washes and culverts. This project was begun under AQIPS and completed under RAMP in January 2004

Projected Impact: reliable access to markets for families Wardak and Ghazni

Project Successfully Completed

Quarterly Report Q2 FY05 **FINAL REPORT**

Construction of Three Dams for Shomali Plains
Reconstruction Authority for Afghanistan (RAFA)
Life of Project : 31-Dec-03 31-Jan-04
Provinces: Parwan

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#15-0002-RAFA	7-Jan-04	Ibrahim Sultani	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$2746	$0.00	$2746	$	$0

Project Description: RAFA has completed the design and reconstruction of three water diversion dams along the Ghorband River. This project was begun under AQIPS and completed under RAMP.

Projected Impact:
18,000 hectares of land provided with a reliable source of water.

Project Successfully Completed

Quarterly Report Q2 FY05 **30 June 05**

Rehabilitation of Irrigation Canals in Parwan
Reconstruction Authority for Afghanistan (RAFA)
Life of Project: 01-Feb-04 to 15-Jun-2005
Provinces: Parwan

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#16-0002-RAFA	21-Jan-04	Ibrahim Sultani	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$800,000.	$0.00	$473,751.92	$0.00	$326,248.08

Project Description: RAFA is rehabilitating and constructing six new water diversion dams along the Salang and Ghorband rivers to divert water to six canals that provide water for most of the agricultural land in Parwan.

Expected Results (by end of project)
Enhanced Livelihood:
- 3380ha new land brought into cultivation and a total of 28,670 hectares receiving an improved supply of water
- 28,670 hectares of land benefit from improved water supply

Accomplishments this Report:
While cold weather and seasonal rains hampered planned activities, construction progressed at the Barq, Belawdan, Afghan, Ibrahim Khil and Toghbirdy canal intakes. No activities were carried out at the Bakhshi canal Intake structure because of a mine hazard.

At the Barq Canal Intake, work will be resumed during the next quarter after construction of several temporary diversion structures in the main stream. Work had been suspended at this site to account for design changes required to satisfy the Ministry of Power..

At the Belawdan Canal site, RAFA completed the stone masonry wing wall as well as Gabion work of the downstream apron.

At the Afghan Canal site, construction progressed on the main wall and the upstream and downstream gabions for the weir.

At the Ibrahim Khil Canal site, the stone masonry wing wall in the right bank was completed and construction of the main wall and gabions of the weir was in progress.

Looking Ahead
Work has been suspended due to the rise in the river's water level and will restart by the end of August 2005. By then, water levels should be decreasing due to depleted snow melt.

Challenges Encountered
During the last week of December a vehicle of a local supplier contracted by RAFA for supplying sand and gravel to the Afghan canal project site, hit a mine. Fortunately there were no casualties. The vehicle was badly damaged. RAFA informed the local authorities of the matter and informed them that the area was not marked dangerous because of the Mine Hazard.

Project Manager Comments:
RAFA has arranged for temporary measures on all 5 sites to protect incomplete works from high water flow during April through August and while construction work is suspended.

Quarterly Report Q2 FY05 **30 June 05**

Road Rehabilitation in Balkh Province

Agency for Rehabilitation and Energy Conservation in Afghanistan (AREA)
Life of Project: 07-Feb-04 to 31-Jul-05
Provinces: Balkh

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#17-0002-AREA	17-Feb-04	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,242,867	$252,324.95	$1,118,881.60	$123,985.40	$0.00

Project Description: AREA rehabilitated 100 km of rural roads in Balkh province.

Expected Results (at end of project):
Enhanced Livelihood – 83,000 farm families with increased access to markets**;** 114,239 person-days of employment.

Accomplishments this quarter:

The dedication ceremony of 100 kilometers of Sarakhunha Balkh, Coolombo, Dehbabi/Deragai, Chemtal, Deh Qazi, Langarkhana and Yangri-Arigh roads was held on 13 July 2005. Rehabilitation of these roads included the construction of 329 different types of culverts. These roads provide the fundamental base for the socio-economic transformation of 244,000 people living in 36,681 hectares of agricultural land located on their catchment area. Some of the main benefits of investments on these roads are growth in traffic flows, savings in the transport cost, and reduction in travel time.

Rapid increase in traffic flows on these roads has lead to higher economic opportunities. Such examples are 40 and 60 percent increase in traffic on Dehragi and Chemtal roads. On these roads the traffic count was 262 and 900 vehicles per day respectively during the first week of July.

Consequently the savings in the transport cost of commodities ranged from a maximum of 60 percent on Chemtal road to a minimum of 38 percent on Kollombo and Dehragai road. The transport cost has been reduced to $6 from $10 per metric ton on Chemtal road. Similarly on Kollombo and Dehragai roads the transport cost has been decreased from $8 to $5 per metric ton. This has occurred in spite of the fact that fuel prices have increased substantially over the same period of time.

The travel time along the Kollombo road has been reduced by 50 minutes from the previous 80 to current 30 minutes.

The following photos were taken on the same spot of different roads to show the variation on the structure of roads before and after rehabilitation, i.e., during January 2004 and July 2005.

Chemtal road at 13.6 kilometer – before

Chemtal road - after

Deh Qazi road at 1.8 kilometer – before

Dah Qazi road – after

Deh Qazi road at 3.8 kilometer – before

Deh Qazi road - after

Langarkhana road at 2.5 kilometer – before

Langarkhana road - after

Looking Ahead

The maintenance agreements for the rehabilitation of these roads have been signed with the Government and the communities. Now the greatest challenge facing the Shura, communities, who are benefiting from these roads and the Government is to preserve their valuable assets that have been rehabilitated. The challenge is to maintain these roads so that these benefits become sustainable for their and future generations to come.

Project Manager Comments

During the dedication ceremony the Governor has requested for the continuation of the same road program in Balkh region. There is a high demand for the rehabilitation of other roads to the same standard. This is the first time that the public has been impressed with our road rehabilitation work.

Quarterly Report Q1 FY05 **30 June 05**

Rehabilitation of Irrigation Systems and Water Management
Reconstruction and Social Services for Afghanistan (RSSA)
Life of Project: 17-Feb-04 to 1-Aug-05
Provinces: Nangarhar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#18-0002-RSSA	17-Feb-04	Ibrahim Sultani	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,853,549	$185,105.8	$1,488,293.40	$130,539	$234,716.60

Project Description: RSSA is rehabilitating channels, protection works against overland flood flows from mountain streams, and diversion structures in the tail reach of the Nangarhar canal system.

Expected Results (at end of project):
Enhanced Livelihood – restoration of irrigation supply to 6,000 hectares of farm land that have been out of production for several years as well as firming up supply to another two distributaries that were out of use due to canal breaches along a dry floodway. More than 6,000 farm families will be benefited.

Accomplishments this report

Project beneficiaries, gathered at site

Improving Rural Agricultural Productivity through Enhanced Irrigation Systems and Water Management (RSSA) is implementing this project to restore irrigation to 6,000 hectares of land at the tail of the Nangarhar Valley Irrigation Development Project in Nangarhar Province.
The project was designed for community economic growth based on irrigated agriculture aimed: (I) to respond to the urgent needs of small landholders whose livelihood is irrigated agriculture, (ii) to strengthen the operational and conveyance capacity of canals to assure water availability at farm field inlets for optimal productivity (iii) to provide a sense of ownership to the local farmers through establishing water user associations for maintenance and rehabilitation of the irrigation systems, and (iv) to restore the previous situation by providing the above opportunities to IDPs and returnees and to provide an alternative to illicit crop production in the area. These four objectives are to be realized through; reconstruction/rehabilitation of 6 km of totally destroyed main canal and for reconstruction of lateral canals at the end point of the Nangrahar Valley Irrigation Development Project. Further works will be built for the protection of the canals from overland flooding by hill torrents.

In addition to the irrigation systems rehabilitation activities to meet the RAMP mandate, RSSA will work to reclaim an additional 30,000 Jeribs of new land for seasonal crop cultivation. This will increase the potential of local farmers in producing surplus food at their farms.

The rebuilt siphons on the main canal already are passing water downstream to the end of the main canal. Some farmers already are watering crops on newly reclaimed farm lands after decades of being out of service.

Tasks Completed
Physical progress made during the reporting period is summarized below:

Retaining Wall – 100% complete
Excavation for the retaining wall totals some 1500 cubic meters.
Placement of stone masonry for the retaining wall is 4800 cubic meters.
Backfill placement to date totals 22,000 cubic meters.
Ninety cubic meters of PCC has been placed in the retaining wall. This item of work now has been successfully completed.

Protection Wall – 100% complete
Following compaction of the protection wall, stone pitching on the side slopes of the protection wall and siphon was initiated during the current reporting month and a total of 4,938 cubic meters was placed.

Excavation for Stone Pitching of Protection Wall.
Excavation for stone pitching of the earthen protection wall totals 26,400 cubic meters of which 3,376 cubic meters has been accomplished.

Siphon, Main Canal
High quality standard RCC pipes were procured from Pakistan for building the siphon on the Main Canal. Excavation for placing the siphon totaled some 612 cubic meters..

Excavation for Main Canal
The required work for canal excavation is 100% completed. More than 36,000 cubic meters was excavated.
Back filling of the sides of the main canal has been completed This operation is clearly visible in the photo above.

Filling of Canal No. 30 & 31 – 100% complete

Looking Ahead

RSSA expects to accomplish three important functions during the coming quarter:

- The downstream apron of siphon 29
- Construction of 4km long flood protection embankment along sub-canal 29, 4.9km of road and sub-canal 29 with all associated structures.

Farmers in the area already have started cultivation of winter crops. In addition to physical works, RSSA will carry out a social Mobilization/organization program:

- The RSSA social mobilizers will work with the farmers of the project area to build borders and to level fields.
- Farmers will be invited to general meetings to learn how to return previously abandoned lands to productivity. The use of organic matter to improve soil productivity and other activities will be explored.
- Among other activities will be that for better water application, crop selection and irrigation for optimum production.

Challenges Encountered and Remedial Action Taken

No major challenges were encountered.

Project Manager Comments

The construction of siphons with inlet and outlet structures is completed. An RCC slab with cutoffs is laid on siphon 29. Work is in progress on the downstream apron to protect the structure against floods. An additional 2,000 hectares of agricultural land will be protected from floods as well as residential homes and livestock.

Quarterly Report Q2 FY05 **FINAL REPORT**

Repair of the Ghazni - Meray Access Road
Ghazni Rural Support Program (GRSP)
Life of Project: 25-May-05 to 30-Nov-05
Provinces: Ghazni

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#19-0002-(GRSP)	25 May-05	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$378,364	$0.00	$0.00	$37,836	$340,528

Project Description: *GRSP* is rehabilitating 27.4 km of Loman Qarabagh road in Ghazni, Andar and Qarabagh districts of Ghazni Province. This road provides access to the main Kabul-Kandahar highway from the rehabilitated Jaghuri Malistan road.

Expected Results (at end of project):
Enhanced Livelihood – 146,000 farm families with increased access to markets

Accomplishments this Report:
GRSP has mobilized their team and completed the rehabilitation of 5 kms. of sub-base and 4 culverts. The first photo depicts the condition of the road before rehabilitation, and the second shows laborers constructing retaining walls in Tamaki.

Challenges Encountered
A rumour was spread around in villages that the road would be upgraded to asphalt standard. Discussions were held with the communities to inform them that the road would be upgraded to gravel standard, and not asphalt standard. People have welcomed the road project to their area.

Looking Ahead
It is expected that during the next month 10 kms. of sub-base and 5 kms. of gravel surface and will be rehabilitated.

Project Manager Comments:
The road rehabilitation work has started and this could be one of the few projects implemented in Ghazni region.

Reconstruction of Roads in Kunduz
Partners in Revitalization and Building (PRB)
Life of Project: 16-Feb-04 to 31-Jul-05
Provinces: Kunduz

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#20-0002-PRB	18-Feb-04	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$857,291	$233,485.93	$590,941.93	$168,590.40	$97,758.67

Project Description: PRB is upgrading and rehabilitating 56 km. of primary and secondary roads in Imam Sahib district of Kunduz region.

Expected Results (at end of project):
Enhanced Livelihood – 10,800 farm families with increased access to markets.

Accomplishments this Report:
10.8 kms. of Aaq Masjid, 23.4 kms. of Alif Berdi and 4 kms. of Ismail Qishlaq roads have been rehabilitated. The first two roads include the construction of 23 and 58 culverts respectively.

Challenges Encountered:
Due to poor work quality PRB was requested to dismantle culvert numbers 11, 13, 15 and 16 on Alif Berdi road, and culvert numbers 13, 15 and 21 on Aaq Masjid road. They have constructed new ones at their own expense.

Looking Ahead
Work is nearing completion on Said Ahamad road. Camber and compaction are being brought up to required standard.

Project Manager Comment
PRB fired their engineers and recruited a new engineer. He is currently employing 15 masons and 45 laborers on Said Ahamad road for the construction of side ditches. The dedication ceremony will be scheduled by the end of July or early August.

Irrigation Rehabilitation in Khewa District

Social and Technical Association for Afghanistan Rehabilitation (STAAR)
Life of Project: 16-Feb-04 to 27-Feb-05
Province: Nangarhar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#21-0002-STAAR	18-Feb-04	Ibrahim Sultani	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$336,448	$0.00	$307,007.	$27,378	$2,062.74

Project Description: STAAR is construcing the main canal intake, rehabilitating a 100m retaining wall, constructing 19 culverts and a waste-way and sluicing gate along the Shegee main canal. Also waste-ways are being constructed for the Koti-Tarn and Kachara canals. Intakes at the heads of the Koti-Taran and Kachara canals are being rebuilt..

Expected Impact (at end of project):
Enhanced Livelihood – 18,050 hectares receiving improved irrigation; 8,250 farm families with increased production; and 14,252 person-days of employment generated.

Project Design and Objectives

The project was designed for a new era of community economic growth with the aim of providing reliable irrigation deliveries to highly productive agriculture lands along the Kunar River that have for several years experienced uncertain water deliveries and production shortfalls.

In addition to improved deliveries for irrigation, works accomplished to date are providing more reliable access of farming communities to drinking water and restoring to returnees water availability for resettlement and restarting irrigation agronomic practices. These four design objectives are to be realized through; development of three major river intakes, construction of two retaining walls and nineteen culverts in the Khewa District of Nangarhar Province.

Accomplishments this Report:

The project was started early during February 2004 and work continued up to the 30th of June 2004 when it was suspended for three months due to rising water levels in the Kunar River. Project work was restarted from the 1st of October 2004. During this period, work has been completed at the Shegee Intake, while it continues at Kotai and Kachara main canal intakes.

Completed in addition to the Shegee Main Intake with spillway/sediment ejection structures were two agriculture market centers, two retaining walls, nineteen culverts, and cleaning of an18 km long canal. The result has been delivery of a permanent and reliable supply of water controlled by gated structure and the protection of the canal from flood destruction.

Challenges Encountered and Remedial Action Taken

Twice during the implementation phase of the project, STAAR has had to curtail operations due to high flows in the Kunar River, for three months during summer and more recently during the month of November 2004. Even so progress has been as noted above with considerable benefits accruing to the communities served by the canals.

Looking Ahead

There is to be a formal opening opening of the Shegee Intake and the associated canal and flood control works during the coming quarter.

Project Manager Comments

Work accomplished at the Shegee Intake has set a high standard for the provision of permanent works to realize reliable water supplies for irrigation and communities of the area.

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Road Rehabilitation in Malistan and Jaghuri Districts
Ghazni Rural Support Program (GRSP)
Life of Project: 17-Feb-04 to 30-Jun-05
Provinces: Ghazni

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#22-0002-GRSP	17-Feb-04	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$750,000	$0.00	$571,826.80	$47,303	$130,870.20

Project Description: GRSP is rehabilitating nearly 55 kms. of road in Malistan and Jaghuri Districts including culverts and retaining walls.

Expected Results (at end of project):
Enhanced Livelihood – 5,800 farm families with increased access to markets

Accomplishments during this reporting period

- 55 kilometers of Jaghuri Malistan road has been rehabilitated.
- To highlight the difference on the structure of the road before and after rehabilitation the following pictures were taken on the same spot of the road.
- For providing access to Regjoy Bazar the road had to be constructed through a difficult terrain.

Before **After**

Tabarghank Giro pass was covered with snow during the rehabilitation.

Before **After**

Benefits:
Some of the benefits stimulated along the road corridor are savings in the transport cost of commodities due to substitution of limited or non-vehicular mode of transport by vehicular mode of transport, savings in time, growth in traffic:

- Small utility vehicles that would occasionally play have been substituted by trucks that carry the load of up to 30 MT;

- The time required for traveling from Sange Masha to 0 km. has been shortened from the previous one and half hour to just 20 minutes;
- Consequently the traffic flow has increased to 283 vehicles per day. This has led to diversification of cropping pattern and a shift to double from single cropping pattern.

Project Manager Comments

This is the first road that has been rehabilitated in Ghazni region and it has led to savings in the transport costs for traveling to Kabul for population from Jaghuri, Malistan and Ajristan districts. Since GRSP demonstrated that they have the ability to rehabilitate roads to our standards and showed their commitment to development of Ghazni region, they were awarded the second contract to start the rehabilitation of Ghazni Merai Access road project located on the same region. This road will link the Jaghuri Malistan road to the Kabul-Kandahar highway.

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Agricultural Production, Processing & Marketing Project

Central Asia Development Group (CADG)
Life of Project: February 17, 2004 - June 30, 2006
Provinces: Helmand and Khandahar

Job Order No.	*Date of Award*	*RAMP Project Manage*	*USAID CTO*	*USAID CO*
JO#23-0004-CADG	June-05	Atiqullah Mohibi	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$6,414,318	$0.00	$ 2,458,799.08	$0.00	$ 3,956,408.92

Project Description: CADG will establish demonstration farms, contract growing of selected crops, and provide agricultural technical assistance and expertise, processing and marketing, application of technologies to crop development, and implementation of drip irrigation plots.

Expected Results (by the end of project):
Capacity Building - At least 40Ha new vineyards and another 40Ha new orchards developed on land currently being planted with seasonal crops**;** 10 extension workers from the MAAH trained; Extension service provided to 6,000 farmers**;** One local fruit and nut processing facility developed and expanded.
Enhanced Livelihood – Grape/raisin yield increased by 35% due to the adoption of the trellis system; Fruit, cash crops and vegetable yield increased by 36% from adopting drip irrigation.

Key Accomplishments this Report:

- CADG has established 603 demonstration plots in Kandahar, Helmand, and Zabul provinces during the 2004-2005 crop year. Trellising and drip irrigation are integrated into the program.
- The Sunn pest emergency control program in Helmand was completed with Sunn pest problems in over 30,000 hectares of wheat controlled.
- A preliminary adoption rate survey was completed in order to determine what best practices farmers have adopted.
- Training in drying apricots was provided to farmers in Zabul.
- Radio programs on timely agricultural topics were continued on a regular basis in Helmand.

Demonstrations
Winter demonstrations – The 326 demonstrations include wheat, white and black cumin, canola, flax, spinach, radish and those that continue to be managed from 2004, including apricot, plum, pomegranate and vineyard demonstrations. The annual crops are harvested and the results are being analyzed.

Summer demonstrations – The 277 summer demonstrations include tomato, okra, eggplant, watermelon, cucumber, peanut, cotton, corn, onion, sesame, green mung bean, sunflower, drip irrigation, and trellising.

In the trellis demonstrations, the training of the vines continued. Good growth this season will allow the vines to completely fill the trellis wires this year. This will allow the first harvest to be kept on the vines next season. After the in-depth training course in drip irrigation in Thailand, the CADG extension agents were able to assist farmers in installing and operating 24 drip irrigation demonstrations.

The following field days were conducted:

Location	#Field Days	# Farmers	Best Practices Demonstrated
Kandahar	2	45	Trellising, drip irrigation, vineyard canopy management for establishing young vines
North	2	60	Cotton under drip, potato, canola, flax, wheat,

Helmand			and cumin best practices
Central Helmand	1	50	Peanut under drip
“	1	12	Onion best practices, vineyard canopy management

CADG is installing evaporation pans in all of its district offices. The evaporation rate will be collected regularly and will give CADG’s extension workers and the farmers an indication of the need for irrigation, thereby allowing farmers to make adjustments to their irrigation schedule and quantity applied.

Sunn pest Emergency Control Program

CADG led the training of farmers in understanding how to control Sunn pest, provided 6,000 nets for mechanical control, provided 744 sprayers, and trained farmers and other applicators on proper techniques for handling and using appropriate insecticides for controlling Sunn pest in wheat. The PRT in Helmand bought 14,956 kilos or liters of insecticides that were used by trained applicators in spraying 15,787 hectares of wheat in nine districts in Helmand. The extension program and the radio broadcasts on Sunn pest instructed farmers in controlling Sunn pest and in spraying at least 16,000 hectares with their own resources. About one-half of the 60,000 hectares of wheat infested with Sunn pest in Helmand was controlled through measures in which CADG provided instruction and/or direct technical assistance. At harvest, a survey was conducted in the nine districts to obtain information on the difference in damage to wheat kernels from wheat sprayed versus wheat that was not sprayed with insecticide. From this and other results, the amount of wheat saved by the emergency control program was valued at over $5 million.

Adoption Rate Survey
In Helmand and Kandahar, 32,000 farmers in 204 villages were interviewed by CADG extension workers in order to obtain preliminary results on adoption of best practices. Preliminary results from the survey indicate that at least 24% of the farmers interviewed in the two provinces adopted some or all of the following best practices (land preparation, improved seed, planting method, fertilizer type, rate and timing, irrigation scheduling and quantity, weed control and timing, pest control, and correct time and method of harvesting). On the other hand, relatively few farmers have adopted the trellising, nursery establishment, and budding/grafting of rootstock technologies.

Dried Apricot Training
In June, during the apricot harvest in Zabul province and North Helmand, 80 farmers were trained in grading and preparing apricots and drying the apricots with sulphur. Special trays for handling, sorting, and maintaining the apricots along with cloth to cover the trays to minimize the entry of dust were supplied to the farmers. Tents were used for applying the sulphur to dry the apricots. Four dealers from Zabul and 14 provincial agricultural extension workers were also invited to experience the type of techniques that were being trained and to meet the trained farmers so that they can work together to market good quality dried apricots.

Radio Programs
CADG has an hour slot everyday at 5.30 pm. Each day a specific topic is covered. During the reporting period, CADG broadcasted eleven different radio programs, including programs on the Sunn pest emergency control program, nursery establishment, and fruit tree planting methods.

Radio programs are developed from reading material, mostly in English, which is then translated into Pashtu. Copies of the programs are sent to Kandahar to be broadcast there. It is estimated that there are around 82,000 adult farmers in Helmand and a further 200,000 young boys that listen to the CADG radio programs.

Looking Forward

- Conduct a Far East market survey of fresh and dried fruit and vegetables and nuts
- The productivity results from the winter demonstrations will be tabulated and comparison made with local crop productivity.
- Extension work will emphasize to farmers their need for adoption of the best practices. For trellis and drip irrigation, farmers will be particularly made aware of the cost and benefit of investing in and operating such technologies.
- Field days on summer crops will be conducted (where security permits)
- Nurseries will be developed to grow seeds for the winter (2005-06) crop demonstration program.
- Interpreting the results of the preliminary adoption rate survey and implementing a more thorough adoption rate survey will be done
- An approach for Sunn pest control in Helmand will be determined at the same time as the national Sunn pest control program is organized.
- About 40 metric tons of dried apricots will be processed in CADG's Kandahar processing plant. Processors and exporters of dried fruit will be trained by CADG to take over the processing, packaging, and marketing of dried apricots.
- Extension workers will assist farmers in providing good quality fresh grapes and vegetables to processing facilities (established through RAMP Implementing Partners) in Helmand and Kandahar.
- Owners of the ten market collection centers in Kandahar and Helmand provinces will be identified and agreements for ownership and usage made.
- Radio programs will continue to broadcast programs that provide farmers with agronomic and marketing information.

Challenges Encountered

- CADG continued to carry out their extension services despite the security problems in Kandahar, Zabul, and Helmand provinces.
- However, due to security reasons, field days in June were postponed until security improves.
- Due to adverse weather conditions during the growing season, the production of apricots in Zabul was adversely affected. As a result, the farmers trained by CADG in drying apricots may have considerably less than 100 mt of apricots to dry.
- The excessive heat in June had some negative effects on some of CADG demonstration plots. In some demonstrations, the young plants were still very susceptible to the heat and their roots were not fully developed yet to absorb sufficient moisture. Everything possible is being done to make sure that irrigation scheduling is correct, both on the traditional flood irrigated plots and the drip irrigation plots. CADG is also introducing evaporation pans to monitor moisture loss.
- A CADG extension worker had his motorcycle stolen while advising a farmer. The incident was reported to the local police, but nothing resulted.
- Due to the limited movement of expatriate staff and also CADG's key national staff, CADG has been taking more photos of plots to enable the managing staff to more closely monitor the work of extension workers.

Project Manager Comments

- CADG must provide RAMP the complete results of the dried apricot marketing, pomegranate pilot marketing, and the canola seed and oil marketing resulted from last year.
- CADG must work with and encourage Afghan entrepreneurs, processors and exporters to develop their marketing activities in both local and International markets. The processors and exporters need to learn from CADG experience what CADG is doing in processing, packaging, and marketing in order to have a sustainable impact.

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Agri-Input Dealer Training and Development Project

International Fetilizer Development Company (IFDC)

Life of Project: 17-Feb-04 to 30-Jun-06

Provinces: Kunduz, Helmand, Ghazni, Nangarhar, Parwan

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#24-0004-IFDC	15-Feb-04	Abdul Samed Nazari	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$4,139,935	$1,111,353.66	$1,679,626.96	$125,502.48	$2,334,805.56

Project Description: IFDC will train 2,000 agri-input dealers, improve market transparency through analysis and dissemination of market information, develop business linkages between Afghan and regional suppliers of agri-inputs and establish five private sector associations of agri-input dealers.

Expected Results (by the end of project):
Capacity Building - 2,000 dealers trained; Agri-input dealers increased by 32.3%, from 1,436 to a total of 1,900; 7 sustainable dealer associations formed at provincial and regional levels and 1 at the national level.
Enhanced Livelihood - Farm production of both foodgrains and high-value crops increased by 25% to 35%. Aggregate wheat production increased by 192,000Mt (valued at US$19.2M)

Key Accomplishments this Report:

Trained input dealer in Lashkar Gah

- IFDC trained 359 agricultural input dealers in 12 training programs in 11 provinces. The dealers were trained in basic technical aspects of agricultural inputs.
- Contacted 189 retail input suppliers in Helmand and Kandahar provinces. Started financial and business survey for determining suitable candidates for providing loans in the two provinces
- 75 Input dealers from Ghazni, Kabul, Takhar, and Nangarhar were introduced to financial institutions (AIB, AKDN) that may provide credit to the dealers. Noor Brothers, an importer of agricultural inputs, received a $50,000 loan.
- Formed an Agricultural Input Dealer Association (# members) in Nangarhar province. The Association's By-Laws, Articles, and procedural manual were prepared in Dari and Pashtu, and the Association was registered with the appropriate institutions including the MAAHF
- After significant advocacy to provide the MAAHF and NADA with the need and justification for tax reform in the importation of fertilizer, IFDC has been able to get the Afghan Government to eliminate the 2 % tax on imported fertilizer, the municipality tax, and the fee (Afs 3,000) collected by the Afghan Fertilizer Company. Make agri-input dealers and Government officials aware of tax reform.
- Prepared and distributed a monthly report reviewing agricultural input and commodity prices in selected markets. Distributed 3,855 posters, leaflets, guides, calendars, and recommendation charts to agri-input dealers and extension workers.
- Participated in various meetings with USAID and other Implementing Partners regarding a possible seed and fertilizer voucher program in the fall and spring and short-term agricultural input needs in Afghanistan.
- Contact was made with Dow Agro Services in Pakistan about supplying agricultural chemicals to input dealers in Afghanistan. Selected input dealers from Afghanistan may visit Dow's Pakistan-based facility
- Participated in a round table discussion sponsored by MISFA. The purpose of this meeting was for the various organizations loaning money in agriculture to share ideas and experiences about loaning money in Afghanistan.
- Maintained a regional and international database of seed, fertilizer and CPP suppliers. Efforts were made to try to bring international input suppliers to Afghanistan.
- Continued to conduct dealer baseline survey in various provinces.

Looking Forward

- Continue to conduct agricultural input dealer training programs
- When security permits, train input dealers in Helmand and Kandahar in retail management
- Establish the input credit supply program among Seed Producer Associations in Kunduz
- Continue to plan trade missions to Kyrgyzstan and Pakistan.to do what?
- Continue to work with the Associations and input dealers to make them aware of the tax reforms as well as assist in addressing issues to improve the efficiency of the agricultural input chain.
- Continue to develop and establish more regional association in additional provinces.
- Work with the National Bank of Pakistan to develop loan products for the dealers of Afghanistan.
- Continue to develop dealer groups in Helmand and Kandahar for the possible agricultural loans. Continue to redesign loans products, continue to assist dealers with loan applications and improve forms needed for the loan process which best serves the dealers in the above mentioned provinces.
- Continue to publish/distribute more publications, continue to review databases and establish usable baseline numbers, procedures and analyze/tabulate the data for better interpretation, use, and understanding.
- Continue baseline dealer survey in Badakhshan, Nuristan, Urozgan and Ghor provinces

Challenges Encountered

- Security concerns have greatly affected some IFDC field work. Security situation has prevented international input suppliers from coming to Afghanistan to understand the business opportunities.
- The on-going security problems continue to make Helmand and Kandahar a high risk area. At present only local staffmembers are working in these areas. It was decided to delay training in the southern and southwest regions until a later date when security has improved

Project Manager Comments

- Input credit must begin to flow to agri-input dealers in Helmand and Kandahar as soon as possible
- The input credit program with the Seed Producers' Associations in Kunduz may serve as a preliminary indication as to how well the program in Helmand and Kandahar can be expected to work
- IFDC project staff should try their best to bring some positive changes in their training program (teaching methods) and make the agri-input dealers training program as simple as possible but more productive and understandable to all the participants
- A reputable international input supplier of agricultural chemicals needs to be brought to Kabul to give some orientation to the input dealers/importers and to give some serious thought to establishing a branch in Kabul
- The regional association in Nangarhar needs to operationalize its organizational objectives
- IFDC should strengthen its coordination and cooperation with other RAMP IPs, such as ICARDA and Roots of Peace

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Agriculture Sector Training in Afghanistan
International Arid Lands Construction (IALC)
Life of Project: 1 April-04 to 30 June-05
Provinces: Nationwide

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#25-0004-IALC	14-Mar-04	Alem Alemi	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$400,000	$0.00	$300,000	$100,00	$0.00

Project Description: IALC is providing training for long term training at the M. Sc. level.

Expected Results (by end of project):
Capacity building – Providing training for 10 M Sc Degree

Key Accomplishments

The ten Master's Degree students who have been enrolled at the North West Frontier Province Agricultural University in Peshawar, Pakistan are performing well academically and should be able to complete their degrees by December, 2006. The graduate program for the ten students has been funded from the start by RAMP/Chemonics and implemented by UIUC/IALC. The ten students and their biographical profile are given below.

Sakhidad Saleem

Birthdate: [redacted]
B.Sc. 1991 in Plant Protection
Currently Lecturer at the Faculty of Agriculture of Kabul University
Research Interest: Mycosis Associated with Root-Knot Nematode on Potato and Tomato in Kabul

Mohammad Saleem Rahimi

Birthdate: [redacted]
B.Sc.:1990 in Plant Protection
Currently Lecturer at the Faculty of Agriculture of Kabul University
Research Interest: Sunn pest

Hussain Gul

Birthdate: [redacted]
B.Sc. 1999 in Agricultural Economics
Currently Lecturer at the Faculty of Agriculture of Kabul University
Research Interest: Agricultural marketing issues of Afghanistan.

Masood

Birthdate: [redacted]
B.Sc: 1998 in Horticulture and Forestry
Currently Lecturer at the Faculty of Agriculture of Kabul University.
Research Interest: Floriculture

Noor Mohammad

Birthdate: [redacted]
B Sc: 1995 in Horticulture and Forestry
Currently Lecturer at the Faculty of Agriculture of Kabul University.
Research Interest: Watershed managemet

Najamuddin Najam

Birthdate: [redacted]
B.Sc: 1985 in Plant Protection
Currently Lecturer at the Faculty of Agriculture of Kabul University.
Research Interest: Not specified

Mohammad Bashir Dodial

Birthdate: [redacted]
B.Sc: 1983 in Agricultural Extension
Currently Lecturer at the Faculty of Agriculture of Nangarhar University.
Research Interest: Availability and Utilization of Agricultural Extension Services

Abdul Wahab

Birthdate: [redacted]
B.Sc: 1997 in Agronomy
Currently Lecturer at the Faculty of Agriculture of Nangarhar University.
Research Interest: Oilseed crop (Brassica) through which he plans to develop canola variety.

Saidajan Abdiani

Birthdate: [redacted]
B.Sc: 1988 in Horticulture
Currently Lecturer at the Faculty of Agriculture of Nangarhar University.
Research Interest: Vegetable Seed Production

Mir Hatim Niazi

Birthdate: [redacted]
B.Sc: 1984 in Animal Science
Currently Lecturer at the Faculty of Agriculture of Nangarhar University.
Research Interest: Medicinal plants to replace antibiotics and vaccines.

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Dried Vegetable Program

Developments Works Canada (DWC)
Life of Project: February 29, 2004 – January 31, 2006
Province: Parwan

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#26-0004-DWC	June-05	Atiqullah Mohibi	Dan Miller	Kyle Newkirk
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$3,022,887	$208,405	$2,115,720	$428,684	$478,482

Project Description: DWC will develop a dried vegetable agribusiness that includes the construction of a 6,200 square foot dehydration factory to be used for cleaning, dicing, and drying machinery, a warehouse, a small test laboratory, a classroom for the research farm and training opportunities, and a 70 meter borehole to provide clean water for washing produce and irrigating the research farm.

Expected Results (by the end of project):
Capacity Building - Construction of one fully operational vegetable drying factory; formation of one local Afghan profit-driven corporation to manage factory and marketing of products.
Enhanced Livelihood – Employment created for 400, mostly female farmers, in the sun-dried tomatoes projects; Employment created for 120
persons at the factory.

Key Accomplishments this Report

- Factory is fully operational with over 4 mt of dried vegetables processed to date
- Contracts for sun drying tomatoes have been signed with 197 women
- 364 vegetable farmers have signed contracts to supply vegetables to the factory
- Results from the two research farms are providing necessary information for making decisions on seed selection and distribution, and for demonstrating best practices for raising these vegetables in the Charikar area.

Factory

The factory began operating on June 5th with one shift of workers but quickly moved to 24 hours per day, six days per week, with a staff complement of 82. The factory is running smoothly as the staff members continue to gain experience and become more skillful with the machinery. The equipment and machinery in the factory are working well and a small workshop was created within the factory to deal with minor mechanical problems. This in-house workshop allows factory mechanics to quickly deal with problems and ensures that all tools and materials are adequately clean and do not contaminate vegetable products. The quality of both the fresh product being brought to the factory and of the dried vegetables has improved greatly over the course of the month. Field Officers and farmers who are harvesting are becoming more familiar with the appropriate methods to ensure fewer waste products and are better coordinating delivery schedules. Likewise, factory workers have adequate experience now to identify problem vegetables before they are processed. Record-keeping and quality control procedures have also improved.

Farmers have harvested and brought for processing to the factory spinach, coriander and courgettes. No exports of vegetables have taken place. The table below lists the quantity of fresh and dried vegetables processed in June:

Vegetable	Fresh (KG)	Dried (KG)	Total Payments (USD) to farmers
Spinach	16,320	1,214	$667
Coriander	12,266	1,011	$501
Courgettes	47,940	2,084	$3,960
Totals	76,526	4,200	$5,128

In June, DWC began constructing an extension to the delivery area of the factory. The extension will include a concrete floor which will be covered using shade netting used to protect fresh vegetables which have been delivered to the factory and are waiting processing. DWC anticipates that this will greatly cut down on vegetable waste.

Several new pieces of equipment arrived, including a bean snipper, which cuts the ends of beans and greatly speeds up the preparation process, and a new, more modern blancher, that will allow DWC to more quickly process items such as spinach. Additionally, the lab equipment arrived and will be set up during the first week of July. The lab will be used to check for contamination by bacteria and other substances that need to be eliminated or reduced before shipment of the dried product.

A borehole was drilled down to 150 meters and is now supplying the factory with adequate quantity and quality of water for the dehydrating process.

Nooria (pictured above) has been promoted to Supervisor after proving herself as a hard worker, a leader and a problem-solver

Capacity Building - Local Execution
A Deputy Factory Manager was hired in mid-June and has proven to be a capable and valuable addition to the team. He is working closely with the expatriate Factory Manager to learn all of the technical and programmatic details of the factory. This is a critical step, for the incumbent will likely be general manager once Development Works moves on from the operation.

Gender Impact at Factory
With **47** women working on line and in management positions, females account for **57%** of the factory workforce.

Research Farms
DWC has established two research farms in the area – one is located next to the factory and the second is in Rabat.

The research farm near the factory is approximately 1.2 hectares. A large variety of vegetables, including, broccoli, spinach, coriander, okra, broad beans, carrots, turnips, garden peas and several varieties of kale are being grown. The growth rate and quality of the vegetables is good. Cabbage, celeriac, tomatoes, and parsley were recently transplanted into a new field which was de-mined. Green beans have also been planted. DWC harvested spinach and coriander for processing in the factory.

The Rabat farm, approximately 0.8 hectare, contains several varieties of the same vegetables as the factory research farm. However, it includes more extensive experiments in spacing and irrigation methods of the vegetables. European tomatoes, cabbages, and onions have been planted using both typical Afghan and other recommended spacing techniques. Spinach and coriander have been planted using two methods, planting by rows and planting by broadcasting. After harvesting the spinach, DWC concluded that the row method of spacing has many advantages, including that the crop is easier to harvest, weeds are less of a problem, and the yield tends to be higher. As a result, Charikar farmers, who have traditionally used the broadcast method will be encouraged by DWC to switch to the row method as much as possible.

DWC have on average 10 farmers visit the factory and adjacent research farm every day. During these visits, the farmers are shown the factory and the research farm by a DWC field officer who explains the dehydration processes and the various experiments being undertaken on the farm.

Women's Sun Dried Tomato Project

The Sun Dried Tomato Project is on track for the expected tomato harvest beginning the end of July. Contracts have been signed with 197 women to sun dry tomatoes in their homes before the tomatoes are delivered to the factory. Additional women have been identified to participate in the program and will be signing contracts with DWC in July.

DWC has adjusted its outreach/extension program to better target the most impoverished. As most vulnerable women (widows, those with disabled husbands) do not own land on which to grow tomatoes, DWC will purchase some fresh tomatoes and hire widows from the area to sun dry them at the factory. This will serve two purposes. First, it will allow DWC to provide employment to additional women who are most in need of added income. Second, it will provide a place to train the rest of the women participating in the sun dried tomato project.

The table below details the progress of the Sun Dried Tomato Project to date:

Village	Total Farmers	Total Women	Total Widows	Total Workers	Total Jeribs (0.2 hectares/jerib)	Total Seeds(kg)	Total Fertilizer(kg)
Boba Khail	6	6	2	19	4.25	0	250
Chaikal	8	8	0	0	6	0	300
Dashtofian	49	49	3	200	36	0.31	2575
Dalat Shahi	11	11	2	61	19	0	1050
Demiskin	21	21	1	28	20	0	1025
Haji Khil	2	2	0	7	2	0	100
Kakara Laghmani	7	7	0	44	5.5	0	275
Khowja Siaran	15	15	0	0	9.75	0.68	775
Mian Shakh	27	27	0	0	24.25	0	1225
Pashan	2	2	1	8	1	0	100
Pul Matak	14	13	0	47	21.5	0	1075
Sadullah	8	8	0	0	8.5	0	525
Said Kheil	3	3	0	0	3	0	150
Shabaz Khail	7	7	2	19	7.5	0	375
Shamarad Khail	3	3	0	9	5	0	250
Totomdara Aolia	9	9	0	12	4.25	0	275
Zarbiya	5	5	0	23	7	0	350
Totals	**197**	**196**	**11**	**477**	**184.5**	**0.99**	**10675**

Agricultural Outreach

Agricultural extension has greatly ramped up during the month. DWC has hired three new Field Officers which has greatly increased our outreach capabilities. Field Officers have been busy organizing the harvest and transport of vegetables to the factory. They have also been advising farmers on controlling pests and diseases, including bore worms on tomatoes and powdery mildew on onions.
The successful operation of the factory, paired with a more aggressive outreach campaign, has significantly increased the number of contract farmers in the program. At present, 364 vegetable farmers have signed on. Many of the new contracts are for green bean production, the seeds of which DWC is distributing to participating farmers.

A Field Officer signs contracts with women to produce sun dried tomatoes.

The farmers, workers, and women that have received assistance from DWC are given in the table below:

Village	Total Farmers	Total Workers	Total Women	Total Jeribs (0.2 hectare per jerib)	Total Seeds	Total Fertilizer (KG)
Aktachi	15	60	0	21	20	1,450
Boba Khail	12	56	0	10	117	550
Chaikal	1	0	0	3	3	0
Dashtofian	48	243	0	33	255	2,050
Daulana	11	80	0	10	42	1,000
Dulatshahi	12	55	0	10	107	625
Dehmisken	1	2	0	2	0	100
Jabul Saraj	63	430	2	67	694	3,375
Khowja Siaran	1	5	0	1	6	50
Khowja Siaran	12	113	0	14	17	1,200
Mian Shakh	12	113	0	14	17	1,200
Pashan	4	15	0	3	0	0
Pul Matak	7	50	1	9	112	450
Qalainaw Laghmani	9	23	0	7	30	475
Qalai Bagi	17	9	0	11	7	700
Rabat	2	0	0	71	280	50
Said Kheil	20	78	0	21	178	1,225
Sadaqat	7	32	0	7	71	350
Sadullah	6	16	1	11	11	400
Sofian Laghmani	2	3	0	2	6	150
Togh Berdi	6	12	0	9	26	450
Totomdara Aolia	17	74	1	27	70	1,000
Zarbiya	2	17	0	3	31	100
Totals	**273**	**1356**	**5**	**379**	**2051**	**15,650**

To encourage Charikar farmers to use the row planting method, DWC has purchased a six-row junior planter which DWC will loan to participating farmers during the planting seasons. The portable planter is adjustable for a variety of vegetable seeds and is small enough to be used on small plots of land.

Looking Forward

- The factory will continue to run 24 hours per day, six days per week. By July 5th, the storage addition to the factory will be completed.
- DWC will continue to harvest vegetables from its research farms to test in the factory. Farmers will be given tours of the factory and research farm. Halo Trust will finish de-mining the rest of the farm.
- DWC will sign additional production contracts with farmers for sun-drying tomatoes. A training program for participants and the distribution of drying trays and salt will begin in mid-July. DWC will travel to each village to train participants. In addition, DWC will conduct training at the factory with one or two representatives from each village attending. To make the training as effective as possible, training will be held as close to the time of the tomato harvest as possible.
- DWC will continue to distribute seed and fertilizer and to sign new contracts with farmers. The Growers Association will be organized and will hold their first general meeting with participating farmers.

Tomato farmers & children in the Ghorband Valley.

Challenges Encountered

The extremely hot weather in June, combined with the heat generated by the tray and bin dryers, made it necessary to install ceiling and extractor fans inside the factory. Ceiling fans have been installed throughout the factory and extractor fans have been ordered and should arrive early in July. In addition to helping to cool down the factory somewhat in the summer months, the exhaust fans will also assist in limiting moisture during the winter months.

DWC has also had a problem with flies in the factory. Although there are screens on the windows, it is necessary to have the door open for off-loading fresh vegetables. The installation of ceiling fans has somewhat helped to keep the flies away from the vegetables. Insect electrocutes were installed but did not work very well. Air curtains, which blast air in a downward direction and prohibit insects from entering, have been ordered and will be placed over several doors which must be kept open.

Appropriate agricultural chemicals to be used for controlling specific pests and diseases of vegetables are difficult to find in the Charikar area and sometimes not available in Kabul.

The work day for each factory worker is about 12 hours per day. Although the workers receive an hour for lunch and two 15-minute breaks, DWC needs to consider lowering the number of hours per day to maintain effective and efficient work.

Field officers have recommended appropriate chemicals to use in these cases; however they are difficult to find in the Charikar area and sometimes are not even available in Kabul.

Project Manager Comments

Once the Grower's Association is established, DWC has been instructed to:

- work with the leaders of the Growers' Association to build their marketing capacity for the future. DWC should share their market information and their successful marketing activities regularly with the Association.
- finalize the outstanding ownership issues of the factory.

DWC managers have also been instructed to improve the hygiene and handling of products in the factory.

Quarterly Report Q2 FY05 **30 June 05**

Western Afghanistan Irrigation Rehabilitation Project and Agribusiness Program

Catholic Relief Services (CRS)
Life of Project: 15-Mar-04 to 30-Mar-06
Provinces: Herat

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#27-0002-CRS	11-June-05	Abdul Qudous	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$426,585	$69,014.80	$69,014.80	$302,939.94	$54,630.26

Project Description: CRS Agribusiness will establish demonstration farms, and provide agricultural technical assistance and expertise, processing and marketing, application of technologies to crop development, and implementation of collection centers and cold storage.

Expected results (by end of project):
Enhanced Livelihood - Instillation of 20 Greenhouse, Establishments of 547 Demonestration plots **4** extension workers from the MAAH trained; Extension service provided to 6,000 farmers**;** Two market collection center to be constructed, Two Cold room well be installed Fruit and Vegetable processing facility developed and expanded.

Key Accomplishments this Report

- Sent several samples of cumin to USA buyers and to the School of Packaging at Michigan State University to be tested for color strength and microbial contamination. Saffron was found to be contaminated with e.coli and mold and thereby not acceptable for international markets. Identified two methods for reducing the microbial load, including safe growing/post-harvest practices and through irradiation.
- CRS sent a sample of cumin to the USA to assess the quality and interest of buyers. The Afghan cumin sent did not meet the grades and standards required by premium spice market (i.e. Whole Foods) due to lack of sizing and cleaning. Improved sorting, sizing, quality grading, and cleaning are required. CRS facilitated three meetings with cumin stakeholders and the commercial seed cleaner in Herat to understand the machine cleaning process and the cost involved
- Established 215 tomato, saffron, and cumin demonstrations in Injil and Guzara districts in Herat. .
- Trained 322 farmers in improved methods of cultivation of tomato and cucumber in the greenhouses.
- Conducted field days for extending greenhouse cumin and tomato production technologies (195 farmers attended

Looking Forward

Crop/Activity	Number	Accomplishments/Remarks	Looking Forward
Tomato			
Tomato demonstrations	49 participating farmers	49 jeribs of demonstrations were planted with improved varieties of tomato seeds	Field days will be conducted
Greenhouse adoption	7 Greenhouses were built in Ingil and Guzara Districts	Greenhouses are 100 square meters in size. Initial costs were $700/greenhouse (first 20 greenhouses) but have been reduced to $400/greenhouse.	27 more greenhouses will be built (bringing the total to 80)
Tomato paste		Training programs in tomato paste technology were completed	3MT of tomato paste is the target volume for production, bottling and sale by mid-August.
Cumin			
Cumin demonstrations	156 farmers have established 1 jerib	Data collected from 10 of the 156 demonstrations show a	Complete information on

and data collection	demonstrations on their farms during the 2004/2005 winter season. Cumin was a new crop for these farmers.	yield of 32 kg/jerib on rain-fed land. .	the cumin demonstrations will be reported Introduce improved water and crop management practices to improve yields
Cumin cleaning and export	1MT	1MT has been cleaned and stored. A 10 kg sub-sample has been sent to USA buyer for certification. This is a trial export. Most Afghan cumin is marketed through third countries in the region and not recognized as an Afghan product in international markets. With little experience in international trade, local traders are concerned about the logistics of export and are reticent to invest. This trial will give them a solid idea of the economic benefit of selling clean cumin to markets beyond India, Dubai, or Turkey.	Cumin will be cleaned at the cumin cleaning facility in Herat City
Saffron			
Saffron adoption	10 farmers planted saffron demonstrations, 4 jeribs of experimental saffron plots have also been planted	10 on-farm demonstrations (between .5 and 1 jerib in size) were conducted The experimental plots have shown that planting date can be anywhere from July to October and size of bulb does not influence yield.	The results on intercropping with grape and almond will be reported
Saffron yield	4kg from on-farm demonstrations 3kg from experimental plots		The first yield for these crops is expected to be relatively low
Saffron cleaning/packing /export	50 kgs	CRS sent several samples of cumin to USA buyers and Michigan State University. E-coli contamination is high and an obstacle for international markets.	Training will begin in late summer for improved food safety practices in the December 05 harvest. If contamination can be mitigated, a USA wholesaler will buy everything we can export, minimum 50kg.
Food Processing			

Jam/juice		100 women were trained in tomato paste, apple, and orange juice syrup production using small-scale processing equipment and imported products (until the new crops are ready). 4 informal women's groups are processing, bottling, and marketing jams, juices, and tomato paste for Herat stores, restaurants, and bazaars.	In July, the products harvested in Injil and Guzara Districts.will be used for processing. At least 1MT of jams and juices will be produced, bottled, and sold by mid-August
Extension Services			
Number of farmers reached by extension services	6000	12 extension stations in villages in Injil and Guzara are providing services to 8 to 10 villages each (average 500 farmers for each extension station).	

Challenges Encountered

- Trainers in the Ingil and Guzara training centers have had difficulties in repairing and replacing damaged processing equipment. CRS staff have identified potentially more appropriate juicing technology for the scale of the centers and are sourcing the equipment.
- Many farmers, both individually and collectively, have interest in greenhouse cultivation of vegetables. Farmers are interested in accessing loans but no financial institutions are ready yet to provide agricultural production loans.

Project Manager Comments

- CRS needs to consider the irradiation method of de-contaminating the saffron before exporting. This is because the safe growing techniques may not work.
- CRS needs to help the farmers interested in greenhouse technology access credit.

Grain Postharvest Training, Storage and Milling in Afghanistan
The Grain Industry Alliance
Life of Project: 15-Mar-04 to 30-Jun-06
Provinces: Kunduz, Helmand, Parwan, Nangarhar, Ghazni

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#28-0002-GIA	15-Mar-04	M. Alem Alemi	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$3,711,820	$269,804.58	$1,757,673.58	$407,880	$1,546,266.42

Project Description: : GIA will provide training opportunities and demonstration sites for cleaning, storage and handling of grain, develop 25 community level storage sites, 25 full scale farm demonstration units and 25 small farm demonstration units.

Expected Results (at end of Project):
Enhanced Livelihood – Storage loss reduced from 5% to 15%; Approximately 20Mt/per unit saved, valued at wheat equivalent of US$105,600

Key Accomplishments this Report

- Cold room technicians from Frio Latina have arrived in Afghanistan on contract with RAMP/GIA to inventory the imported rooms and to begin assembly of the first 20 cold rooms to be used for prolonged storage of grapes and other fresh fruit and vegetables.
- Coordinated with Roots of Peace in designing the building of the fresh fruit processing plant of the Kandahar Fresh Fruit Exporters' Association.
- Construction of the Fresh Fruit Processing Plant at Habib City (Kandahar) is about 70% complete despite security concerns.
- Coordinated with Roots of Peace in designing the nut processing plants that GIA will help equip and/or build in Kandahar and Kabul
- A Fresh Fruit Trader Association in Kandahar and a Fresh Fruit Producer Association in Bolon (near Lashkargar, Helmand) were established to operate fresh fruit processing plants.
- As part of the Helmand coordination meeting on PALS, GIA discussed with the various stakeholders (Provincial Agricultural Department, Mayor of Lashkargar, MRRD representative, CADG, ICARDA, IFDC, and others) the need for organizing the Associations involved in the processing of high-valued agricultural products produced in Helmand.
- Construction of the place for housing the precooler and the cold storage units at the Fresh Fruit Processing Plant in Mirbachakot (Kabul province) is about 70% complete.
- Six farmer associations (including three Seed Producers Associations (that is, the Village-Based Seed Enterprises) and three Crop Producers' Associations) in the Kunduz province have formed and adopted by-laws.
- A warehouse built for the Char Dara Seed Producers' Association (i.e., a Village-Based Seed Enterprise) was about 60% complete.
- On June 30, 2005, the Raisin and Other Dried Fruit Export Institute and the Ministry of Commerce dedicated the product quality testing laboratory in Kabul
- The only set of public truck scales (80-mt capacity) in the Kunduz area (built by RAMP/GIA for USAID) is nearing completion at the entrance to the city of Kunduz and in front of the new Kunduz mill.

- Flour fortification equipment and premix feeders have been donated by the World Food Program (WFP) to be used in the new Kunduz Flourmill.
- Construction of the new wheat and flour quality lab for the Kunduz flour mill is nearly completed
- GIA established offices in Kandahar and Kunduz
- GIA subcontract was modified to incorporate the Provincial Alternative Livelihoods (PALS) project in Helmand and Kandahar provinces. As per the PALS project, the GIA project is refocusing a significant part of its construction and training activities to Helmand and Kandahar provinces.

Looking Ahead

- The Seed Producer Associations that own the warehouses built by GIA in Kunduz will use the warehouses to store improved wheat seed. Producers of the seed will be provided credit (through IFDC) for their seed which will be stored until it is sold at planting time.
- Provide technical assistance and training to these associations in commodity storage, processing, and packaging
- Design and contract construction of the warehouses/processing centers in Kandahar and Helmand
- Complete the construction of the remaining work of latrines, guard rooms and administration buildings for all the Associations' warehouses and processing centers .
- Arrange ownership contracts with associations regarding post harvest development(market centers, cold storages, processing units, etc.)

Install 16 cold storage units in RAMP's priority provinces. Tentative plan given below:

Province	Number	Owner	Purpose
Kandahar	**2**	Fresh Fruit Farmers Association	Storing, processing and cooling
Kandahar	**2**	Fresh fruit Traders Association	Cooling processing, storing
Helmand	**2**	Bolan Farmers Association	Processing,cooling,storing vegetables and fruits
Helmand	**2**	District Farmers Association	Processing, cooling ,storing of vegetables
Helmand	**1**	Widows Association	Jam and Tomato Sauce
Helmand	**1**	Widows Association	Dairy Processing Plant
Parwan	**2**	Grape Producers Association	Processing, cooling storing grapes
Kunduz	**2**	Fruits and vegetables Traders Association	Processing,cooling,storing
Kabul	**2**	Customs at the Int'l Airport	Temporary storage of commodities to be exported
Kabul	**2**	Fruit Export Company	Processing,cooling,storing
Kabul	**2**	Dutch Committee of Afghanistan	Refrigerating vaccines
Total	**20**		

Challenges Encountered

Due to the present weak organizational capacity of the farmers' and traders' associations who own the storage and/or processing plants, significant technical assistance will be needed to improve the handling, sorting, grading, storing, processing, and packaging of their agricultural produce and to transform the associations into viable and sustainable entities.
Preparation and training is needed for installing and operating the cold storage units

Project Manager Comments

By having to contribute about 50% of the cost of the processing equipment for the processing plants, the associations will be compelled to make their businesses as viable as possible.
GIA will be focusing more in Kandahar and Helmand and start the construction work of the warehouses and processing plants. They have also been instructed to conduct training on the post harvest use of warehouses, cold storage units, and processing centers.

Quarterly Report Q2 FY05 30 June 05

Grape Revitalization for Afghanistan Productivity and Empowerment

Roots of Peace (RoP)
Life of Project: March 14, 2004 to March 30, 2006
Provinces: Parwan, Nangarhar, Ghazni, Helmand and Kandahar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#29-0004-RoP	14-Mar-04	Abdul Samad Nazari	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$5,086,562	$1,841,929.18	$3,486,415.62	$340,716.34	$1,259,430.04

Project Description: RoP will provide extension services for Afghan farmers, training for MAAH extension agents, develop 10 model farms for best practices, create market/collection centers, improve vine propagation; establish 3 Farmer Owned Businesses (FOBs); promote commercial sales management to re-establish and develop local, regional, and international markets.

Expected Results (by end of project)
Capacity Building - Establishment of foundation nursery and integrated grape/raisin marketing system; 20 horticulture extension agents trained in vine propagation and maintenance; Establishment of 9 association managed processing/packaging centers
Enhanced Livelihood - 22,000ha vineyards upgraded through enhanced agricultural technology; 13,000 farm families adopt agricultural
technologies leading to increased income; Grape/raisin export increased by 35%.

Key Accomplishments this Reporting Period

Extension Program

Grape nursery under drip irrigation in Bagram

- Twenty trellising demonstration plots and 17 nurseries established. 6,424 Farmers in 15 districts of Shomali Plains received technical assistance in pruning, nursery management, sulfur and fertilizer application, and canopy management.
- 421 Farmers in 7 districts of Shomali Plains attended RoP field training in soil analysis, giberrelic acid application, and introduction and installation of drip irrigation systems.
- Established 3 drip irrigation systems in two districts of Shomali Plains.
- 12 Field days in the Shomali Plains were conducted with 396 farmers participating. Trellising systems, drip irrigation systems, grape nurseries, and demonstrations on the use of giberrellic acid and the application of sulfur and fertilizer were shown to the participants.
- Transplanted saplings (rootstock) from the foundation nursery at Darulaman Research farm t Bagram Market Center. The cuttings came originally from California.
- Planted 18,000 Shindukhani cuttings and 5,000 Taifee cuttings at Bagram Market Center.
- Presented the cicada problem in vineyards in the Shomali Plains to Minister Ramin of MAAHF and discussed the plan for control of the pest.
- Completed construction in Parwan of two of the Kishmish Khanas (green raisin storage shed) and 50% of the third.
- Hired one marketing manager and nine extension workers in Kandahar and one extension worker in Ghazni province.

Fresh Fruit Processing and Marketing

- Processing plant in Mirbachakot in Kabul province – 90% construction work completed with pre-cooler ready for shipping to Afghanistan and two cold storage units ready to be installed.
- Signed an Agreement with the Fresh Fruit Exporter's Association (FFEAK) of Kandahar requiring their financial contribution to the processing plant machinery and equipment and to establish the terms and conditions for their ownership, maintenance, and operation of the plant.
- Processing plant in Habib City in Kandahar province – 70% construction work completed by a contractor hired by the Grain Industry Alliance, a RAMP Implementing Partner. Since the factory

was not ready in time, two cold storage facilities have been installed in CADG's raisin processing factory in Kandahar. The facilities will allow the Fresh Fruit Exporter's Association to cold store their fresh grapes before shipping. The facilities will be transferred to the main processing plant in Habib City when construction is finished.

- RoP arranged a trip and invited KLG (an Indian importer planning to buy fresh grapes from Afghanistan) to visit Afghanistan to meet Mr.Ghulam Sakhi (Afghan grape exporter) to make deals for implementing Afghan fresh grapes exports to Delhi from Shomali.
- Led a trade mission of Afghan farmers and traders to India to introduce them to potential Indian buyers of Afghan grapes and to expose the Afghans to modern grape production and marketing practices. The Trade Mission visited with nine Indian fresh fruit importers and in every case received invitations for trial shipments of fresh Afghan grapes this season.
- Identified a fresh fruit buyer, the Bangladeshi Trading Company, interested in a
    - consignment of 15 to 20 forty-foot containers of fresh grapes to be exported from Afghanistan to Bengladesh.
- Signed an agreement with a representative of the Ukraine Chamber of Commerce to work together to facilitate Afghan fresh grapes, raisin and nuts exports to Ukraine
- Facilitated a deal between Ashq Co. Ltd., Kabul and Al-Khat Al-Awal Lil Tijarath Al-Ammath wal-Muqawalar, Kuwait for 80mt of fresh fruit to be delivered this season via air.
- Supported the Ministry of Commerce in organizing the "Fresh and Dried Fruits Export Promotion Conference" where constraints in exporting Afghan fresh and dried fruits were discussed and a plan to reduce or eliminate the constraints developed.

Dried Fruit and Nut Processing and Marketing

- Signed an agreement with the Mazar Nut Processor's Association and an agreement with the Ghorband Nut Processors Association in Kabul to contribute financially to the building, machinery, and/or equipment of the plant in Mazar and the plant in Kabul, respectively, and to establish the terms and conditions for ownership, maintenance, and operation of the plants. The Mazar Nut Processor's Association is using its own funds in constructing a nut processing plant in Mazar that is about 15% completed. The Ghorband Nut Processors Association has built, using their own funds, the foundation of their plant in Kabul. RoP assisted the Associations in organizing themselves and in designing their processing plants.
- Processing plant in Kandahar – RoP has discussed the construction of a dried fruit and nuts processing plant with the Dried Fruit and Nut Exporters' Association. The Association has not come to an agreement on the plant's design because they are not convinced they would like to invest in the plant as an Association.
- Signed an Agreement with the Dried Fruit Exporter's Association in Kandahar to assist them under the RoP Nut Processing Program
- Trade Mission to Russia and Ukraine. An official trade mission from the Afghanistan and two Afghan raisin and dried fruit exporters visited Russia and the Ukraine to arrange commercial deals for the sale of Afghan raisins, nuts and dried fruit. From the meeting with 19 merchants in Moscow and Ukraine, the potential deals amounted to 3,000 mt of raisins to Ukraine and 160 mt of fresh grapes to Moscow. As a result of the potential deals worked out in the mission, two shipments, on June 27th, each containing 100 mt of "almost" European-quality red raisins left Afghanistan going out through Torghondi for final destinations to Moscow, Kiev and Luhansk.
- Four computers, printers, scanner and other computer related equipment
    - were provided to the Raisin and Other Dried Fruit Export Institute of the Ministry of Commerce.

Looking Forward

Extension

- Provide continuous extension services (implementing the various best practices in the vineyard demonstrations) to the targeted farmers in Kandahar, Ghazni, and the Shomali Plains
- Care and maintain the grape cuttings and saplings at the Bagram Market Center and at the many private nurseries and provide technical advices for
    - better nursery management
- Complete the third Kishmish Khana and assist the farmers in using them when the raisins are ready for drying. Work with those farmers interested in constructing their own Kishmish Khanas.

- Prepare, with the assistance of the professionals at the Faculty of Agriculture, Plant Protection Department of the MAAHF, a trial layout and schedule for control of cicada in vineyards in the Shomali Plains.
- Hold field days to demonstrate the best practices of demonstration plots
- Invite farmers for the installation of low-cost drip irrigation system.

Processing and Marketing

- Install the precooler and two cold storage units in the Mirbachakot processing plant. Ship fresh grapes to India. Provide all the equipments, tools and packing tables to the processing plant.
- Facilitate Mr. Gaba of KLG (India) in his trip to Afghanistan to prepare producers and trader(s) in Kandahar and the Shomali Plains for the shipping of fresh grapes to India.
- The Grain Industry Alliance (GIA) will complete the fresh fruit processing plant in Habib City in Kandahar. The precooler and the two cold storage units will then be installed and fresh grapes will commence shipping from the plant. .
- Assist Kandahar traders in cold storage and exporting of fresh grapes
- Visit Dubai to meet customers/importer/traders interested in buying Afghan fresh grapes
- Link Afghan exporters with customers in the international markets
- Follow up on various transit issues with the Ministry of Commerce
- Follow up with FFEAK on reimbursement of US$20,000 to RoP as per agreement.
- Obtain an implementation plan for nut processing plant equipment and machinery as per the designs of Bob Lemos, Nut Processing Consultant from California
- Work with the Nut Processors Associations in Mazar, Kabul, and Kandahar in getting their nut processing plants established

Challenges Encountered

- With the likely delay in getting the nut processing plants established and operating at the time of harvest of the nuts, guidance needs to be given to the nut processors to purchase the nuts at desirable prices and store some of the nuts until the processing of the nuts can be accommodated. A credit facility may be just what the nut processors need to get the quantity and quality they need.
- Security is a very serious problem in Kandahar and the necessary precautions at the processing plants need to be taken to protect the employees and the plant itself.
- The warehouses in Bagram and Laghmani need to be utilized during the upcoming harvest of fruits and vegetables. Roots of Peace needs to work with the farmers who could as an Association utilize these facilities for adding value to their products.
- The Dried Fruit and Nut Exporters' Association in Kandahar is a difficult group to get organized. To assist them in getting a processing plant in place extra effort will be needed to identify and work with those within the Association who are most willing to get the various tasks in organization accomplished.

Project Manager Comments

- Besides introducing Kishmish khanas, locally-made raisin drying inputs (materials) should be provided to the grape growers before grape harvesting starts
- More investigation is needed in controlling the damage of cicada to vineyards
- More efforts should be put on establishing closer linkages between the progressive grape growers and the more progressive exporters of grapes to foreign markets
- For establishing trellising systems in the future, RoP field staff should use materials (e.g. concrete poles) that are more permanent than wooden poles

Quarterly Report Q2 FY05 **FINAL REPORT**

Locust Control Program Northern Afghanistan
GOAL
Life of Project: 11-Mar-04 to 31-Dec-04
Provinces: Balkh, Baghlan, Kunduz, Takhar, Samangan.

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#31-004-GOAL	11-Mar-04	A. Samad Nazari	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$423,383.38	$ 0.00	$ 423,383.38	$0.00	$0.00

Project description: GOAL implemented a program to mitigate the impact of Moroccan locusts on rural livelihoods in Northern Afghanistan. Key activities included the chemical control of locusts with the provision of technical support, plastic sheeting, nets, barrels for water, ploughs and tents; mobilization of the rural population to areas of locust infestation, through the provision of transportation; full logistical support to the FAO and Ministry of Agriculture for chemical control intervention; monitoring of locust-infested sites and program advances through constant feedback, crop damage assessments, and locust egg-bed surveys; and final evaluation and provision of data for the locust database, the FAO, and AIMS.

Projected Impact:

- Control of about 90% of the potential locust damage to agricultural crops in five provinces in Northern Afghanistan.
- Determine the remaining locust problem as assessed through a locust egg-bed survey completed at the end of the locust control period.

Enhanced Livelihood

- A crop damage less than the 2002 level of 9%
- About 120,000Ha agricultural land protected from locust infestation
- Food security improved for more than 150,000 farm families.

Quarterly Report Q2 FY05 **Final Report**

Locust Control Program, Northern Afghanistan
Food and Agriculture Organization (FAO)
Life of Project: March 11, 2004 – Dec. 31, 2004
Project Sites: Balkh, Samangan, Baghlan, Kunduz and Takhar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#30-0004-FAO	11-Mar-04	Abdul Samad Nazari	Dan Miller	Kyle Newkirk
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$606,651	$0.00	$606,651	$0	$0.00

Project Description: FAO will implement an emergency locust control program in northern Afghanistan and supply essential laboratory equipment to the Plant Protection and Quarantine Department (PPQD) in the Ministry of Agriculture and Animal Husbandry

Expected Results (by end of project):
Capacity Building - 8 PPQD technical staff, over 1000 operators, and over 100 organizers/supervisors trained to carry out locust control operations.
Enhanced Livelihood - A total of over 100,000 hectares of agricultural land (with a potential production of 400,000 metric tons of wheat) protected from locust damage to crops. Food security improved for more than 270,000 farm families

Key Accomplishments this Report

Locust control is proceeding as planned. The locust is being controlled by spraying a pesticide. The pesticides are not purchased by the Project but through another donor (not USAID). The possible delay in delivering the outstanding pesticide orders causes concern.

The Sunn pest programme is active in Faryab, Juzjan and Sar-i-Pol. However, it is hampered by the delay in procurement of motorcycles.

The laboratory equipment for the Plant Protection Department laboratory at the Ministry of Agriculture, Animal Husbandry, and Food was installed. The laboratory will allow the Ministry to identify crop pests and diseases.

Locust Control

Spraying operations against hatching egg-beds are proceeding, mainly in Kunduz and Balkh, where the first hatching occurred. Good results are being obtained with diflubenzuron. Overall, it appears that the greater part of the locust population is being treated during the first instar.

Sunn pest
Training of Sunn pest organisers was carried out in Shiberghan for Juzjan (14) and Sar-i-Pol (13) and in Maimena for Faryab (19). The Shiberghan course was also attended by workers from the RAMP funded Sunn pest control project in Helmand.

The project also funded a ten-day mission by the President of PPQD and three of his staff, to enable them to participate in the training courses and the surveys. Very large numbers of *Dolycoris* (a species of Sunn pest) have been observed migrating from the hibernation sites and the local authorities are extremely concerned at the prospect of heavy damage.

Twelve motor-cycles from the Mazar store have been distributed. Five more are being withdrawn from Supervisors in the locust area, who have the use of rented vehicles. Those Organisers who own their own motor-cycles have been offered $50 per month for the use of them until the new ones ordered by the project are delivered. A waiver to procure the nets locally has been obtained from HQ and the tendering process is underway. Timely delivery of the pesticide order is also essential.

Meetings
In Kunduz, Dr. Harvey visited UNAMA Regional office and met Mr. Dragan Ilic, Acting Head of Office, and Lt. Col. Dag Liden, Military Liaison Officer. The purpose of the visit was to see if the Kunduz PRT (Provincial Reconstruction Team), which is under German command, would support a request for an airlift of pesticide, in view of the difficulties with the Belgian airlift. Dr. Harvey went to the PRT with Col. Liden and met Lt.Col. Thomas Fischer, Chief of Staff, who referred Dr. Harvey to Mr Peter Schaller, the Civilian Head of the PRT and a German diplomat. He expressed willingness to support FAO's request and Dr. Harvey passed this information to TCEO for their further action.

Challenges Encountered and Remedial Actions Taken
Some difficulty was experienced with Dimilin, the new formulation of diflubenzuron, which is rather more viscous than that previously used. Dr. Harvey consulted the supplier by phone, who explained that the higher viscosity is to maintain the stability of the product in storage, but it becomes less viscous when passed through the pump of a sprayer. However, the hand-held sprayers are gravity-fed, so it is necessary to ensure that the chemical is well agitated before use.

Stocks of diflubenzuron are now getting low and replenishment is urgently needed.

It has not yet been possible to visit Herat. This will be done as soon as possible, but the flights from Mazar and Herat are such as to require an entire week to make a visit.

Looking Forward
Locust control measures will continue to spray those areas where the locust hatch has occurred and those areas where locusts in advanced stages have migrated to.

The immediate task for the Sunn pest control program is to survey the breeding areas. Then the Organisers will visit villages in their area and establish contact with the leaders. They will train farmers in mechanical control with nets and chemical control using ULV sprayers. This programme requires the use of motor-cycles.

Project Manager Comments
With the locust program under control and the locust populations being controlled by the time of the first instar, it is possible that this year's locust control program may so drastically cut the locust population to a level where next year's emergency program can be eliminated or cut back significantly.

The Sunn pest emergency control program in Faryab, Jowzjan, and Saripul faces a significant challenge. The control of the Sunn pests with nets will be significantly tested and, if necessary, the chemical control may be necessary.

Quarterly Report Q2 FY05 **FINAL REPORT**

Green Kabul Program
United Nations Office for Project Services
Life of Project: 10-Mar-04 to 30-Jun-05
Provinces: Kandahar and Helmand

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#32-004-UNOPS	20-July-05	M. Alem Alemi	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,038,595	$54,676.73	$838,593.73	$145,341.48	$54,659.79

Project description: UNOPS will procure and distribute approximately 1 million trees throughout Kabul. Its key activities will include: planting fruit and forestry trees in various public locations throughout Kabul, including schools, government buildings, parks, roadsides, and the Kabul Green Belt; organizing Kabul Green Week activities, including public events, children's activities, receptions, entertainment, and education; and coordinating an ongoing public information campaign to raise public awareness of environmental issues in Afghanistan.

Expected Results (by end of project):
Capacity Building - 2.5 million Kabul residents receive Environmental Education through media.
Enhanced Livelihood – activities will generate 30,000 labor hours of employment in and around Kabul**.**

Key Accomplishments during Reporting Period

170,000 Trees were distributed in and around Kabul.

Location of Tree Distribution	Number of Trees Distributed
At Municipality	40,000
Kabul Green Belt	40,485
Residential/Public/Ministries in Kabul	89,515

UNOPS conducted a public awareness campaign by distributing 50,000 calendars and 80,000 brochures on sapling planting.

Quarterly Report Q2 FY05 **FINAL REPORT**

Repair of the Fil Koh Chute
Gulson Cucurova
Life of Project: 07-Apr-04 to 08-May-04
Provinces: Kandahar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#33-0002-Gulsan	29-Apr-04	Ibrahim Sultani	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$45,000	$0	$45,000	$0	$0

Project Description: GULSAN-Cucurova assessed the damage and repaired the hole, finished the floor, constructed an energy dissipation structure, repaired the wingwalls and installed riprap.

Expected results: maintaining reliable irrigation supply for 35,000 hectares of land

Project Successfully Completed

The Fil Koh chute is part of an irrigation/hydroelectric project that was implemented by USAID long before the Soviet occupation of Afghanistan. As a result of military action, the chute was damaged, threatening approximately 35,000 hectares with disruption of irrigation.

Governor Pashtoon of Kandahar Province confirmed that the repair of the Fil Koh chute was an immediate priority for reconstruction. USAID repair efforts were coordinated with representatives of the Japanese government, who were in the process of developing their master plan for rehabilitating the Kandahar agriculture sector.

The damaged chute before repairs

The repair effort was more complicated than anticipated, due to undermining of the structure by attempts to run water through the chute while damaged. Repair work proceeded quickly, starting April 7, 2004 and was completed in time for farmers to start planting for the 2004 crop cycle.

The repaired chute and rebuilt wing-walls

Project Manager Comments

This project was the result of good planning and collaboration. Because the GULSAN-Cucurova group was already in the region working on other contracts, they were able to dedicate resources to this project at very low overhead cost.

Quarterly Report Q2 FY05 **FINAL REPORT**

Agricultural Produce Market Centers
Relief International (RI)
Life of Project : 15-Apr-04 to 30-Apr-05
Province: Nangarhar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#34-0002-RI	23-June-2004	James Huddleston	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$252,765	$0	$252,765	$0	$0

Project Description: RI built small Market Collection Centers (MCCs) at 19 locations in Nangarhar and designed a larger Agricultural Produce Market Center (APMC) that was planned to receive produce from the MCCs.

Expected Results (at end of project):
Enhanced Livelihood – 53,500 farm families with increased access to market

Project Completed:

RI built small market collection centers (MCCs) at 19 locations in Nangarhar to provide shade for produce gathered from fields at harvest time. RI also designed typical Agricultural Produce Market Centers (APMCs) that were planned to receive produce from the MCCs and other production units.

RI completed this work in August 2004.

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Quarterly Report Q2FY05 **30 June 05**

Reclaiming Salinized and Waterlogged Farmland

International Foundation for Hope IF Hope

Life of Project: May 23, 2004 to August 10, 2005
Provinces: Nangarhar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#35-IFHope	1 June 2004?	M. Ibrahim Sultani	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,996,653	$365,069.40	$365,069.40	$97,496.77	$1,534,086.83

Project Description: IF Hope is to clear trees and vegetation and dredge silt deposits from 114 kilometers of blocked drainage ditches in two areas of highly productive irrigated agriculture in Nangarhar Province. Dredged spoil is to be used to rehabilitate roadways along the drains.

Expected Results (by end of project):
1. Restore adequate subsurface drainage to 13,700 hectares of irrigated farmland, that has become salinized due to blocked drains, in Nangarhar Province.
2. Directly benefit 135,000 residents of Bati Kot and Momandara Districts that are served by the Nangarhar Valley Authority (NVDA) canal (government owned) and Kama District with its traditional (semi private) canal system.
3. Improve vehicle access to these areas.

Accomplishments this report:

IF Hope entered into a subcontract agreement with SKB of Pakistan to bring additional long boom and dragline equipment on site to clean the deep drains of the NVDA area. During the reporting period brush clearing and dredging of 15 kilometers of drains were accomplished in Kama District and 21 kilometers of drains of the NVDA system were cleared and cleaned. Dredged spoil was dressed and incorporated into roads along 10 kilometers of these drains.

Looking Ahead:

The pace of work has substantially increased since SKB joined the IF Hope team, and it is expected that the entire 114 kilometers of drains will be rehabilitated before the end of CY 2005.

Project Manager Comments:

Considerable technical input and encouragement by RAMP has been required for IF Hope to realize the selection and preparation of a full set of designs for drains of each of the two areas. Only a partial review and field proofing of submitted designs had been accomplished by the end of the quarter. RAMP technical staff will continue interaction with IF Hope for the completion of a full set of accepted designs during the coming quarter.

Quarterly Report Q2 FY05 **30 June 05**

Roads for Nangarhar

Humanitarian Assistance Development Foundation (HADF)

Life of Project: January 2005 to November 2005
Province: Nangarhar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#36-0002-HADF	1-Apr-05	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$534,466	$173,673.59	$173,673.59	$64,611.9	$296,180.51

Project Description: Road rehabilitation in Nangarhar including: Kama Ghosta road (10.0 kilometer); Landa Booch road (10.45 kilometer); Zarshoe road (5.45 kilometer); Qalae Akhun Sangarsrai road (6.65 kilometer); and Arbaban Kalaiakhun (1.95 Kkilometers).

Expected Results: Maximum use of local labor that is in harmony with the construction of high quality gravel compacted farm-to-market roads.
Increased revenue to growers because buyers can access production areas and because produce can be moved rapidly without damage.
Increased social services to areas that become accessible.

Accomplishments this Reporting Period

The Chief Engineer, Roads of RAMP along with managers of HADF negotiated with the wakils and the shuras of the districts to: 1) assess the preferences of the agricultural producers for road locations, 2) secure adequate right-of-way, and 3) develop agreements for the provision of local labor.

Once agreement was reached, HADF undertook final design of the roads and construction began for three segments of road, Zarshoe, Qalae Akhun Sangarsrai, and Arbaban Kalaiakhun. By the end of the reporting period culvert and dry wash structures had been built and materials were stockpiled for the start of road construction which normally is sequenced following the building of structures.

Challenges Encountered

RAMP is carrying out particularly close surveillance of the construction of these roads. The oversight is intended to assure that, even with the input of a high component of labor, construction is maintained to the same high level of quality that is achieved by greater use of machinery and less labor.

Project Manager Comments

Once completed this contract will conclude a coordinated RAMP/Chemonics program of road construction, river works, drain dredging, and agricultural activities in the region of the junction of the Kunar and Kabul rivers.

Quarterly Report Q2 FY05 **FINAL REPORT**

Rehabilitation of Roads, Drainage and Crossings
Afghanaid (AAD)
Life of Project : 01-July-04 to 30-Jan-05
Province: Nangarhar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#38-0002-AAD	July 11, 2004	Saroj Basnyet	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$140,000	$0.00	$0.00	$140,000	$0.00

Project Description: The project has been completed. Five kilometers of road were rehabilitated along a segment from Saiphon to Lagarjoi in Nangarhar Province. A dedication ceremony was held during July 2005 and the road was passed to the Ministry of Public Works.

Impact:
Enhanced Livelihood:
- A reduction in damage to marketed output of 10%
- Farmers income increased by at least 10% due to improved and efficient transport service

Accomplishments this Report
Afghan aid completed the rehabilitation of 5 km of Saiphon Lagarjoi test road that includes 10 structures on 15 February 2005. This required continuous inspections from our staff almost on a daily basis.

Project Manager Comments
Afghanaid has been reimbursed for their costs.

Rural Financial Services Afghanistan Renewal Fund (Fund) Life of Project: 15-Feb-05 to 1-Jul-06 Provinces: Nationwide				
Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#39-0003-Acap	15 Feb. 2005	Frances Toomey	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$4,000,000	$0.00	$2,000,000	$0.00	$2,000,000
Project Description: The purpose of this Grant is to fund a contribution to the Afghanistan Renewal Fund, a venture capital fund to be managed by Acap Partners. The Fund will create a finance delivery mechanism to fulfill the unmet financing needs of small and medium enterprises (SMEs). The Fund's total capitalization will be close to $20 million initially, and could grow to $30 million. The Fund will generate market-based returns for investors by contributing to the regeneration of the private sector.				
Expected Results: Finalize capital raising by an additional $16.2M in capital to have a first closing of the Fund by July 2005. Increase the amount of financing available to SMEs along the agribusiness value chain. Provide equity partnerships for up to 7 agribusinesses.				

Accomplishments this Report

Last quarter's report included a budget of $200,000 that was used for operation start-up expenses, which have been completed. This quarter's ceiling price is to be used for equity investments.

The following is a list of the full accomplishments for the quarter:

1) Logged 19 new proposals including businesses involved with soda, dairy, cement poles, retail depot, LPG distributor and ethyl alcohol distillery.
2) Prepared three leads for screening including a dairy operation.
3) Started business plans for two businesses including a potato chip processor.
4) Presented the Fund to the German Trade Mission.
5) Hired summer intern from the London Business School.
6) Continued development of back-office support functions with Actis including accounting, financial controls, human resource management and IT.
7) Identified Actis industry experts in Fund's target sectors to support investment and business advisory activities.

Challenges Encountered

The Fund has had a challenging quarter as the one private investor in the Fund expressed their dissatisfaction in the length of time to close the Fund and was ready to disengage from the project. Simultaneously, Asian Development Bank keeps moving the goal posts as to the legal documentation they require to invest in the Fund and, also, the date at which time they will make a firm commitment to invest. Both of these events have distracted Acap Partners in their end goal to close the Fund and resulted in unexpected meetings, trips to the US and extra legalities. By the end of the quarter, Acap Partners had things more firmly in control and realistically expect to close the Fund by 1 August.

Looking Ahead

1) Complete first closing of the Fund by 1 August 2005 in the amount of $20.5M.
2) Fund draft constituting documents in negotiation with investors.
3) Coordinating with OPIC for a loan to the Fund and expect commitment letter from OPIC in late July.
4) Finalize the lease for office space in Kabul.

Project Manager Comments

The Fund had a bit of a set-back during the quarter as one of their prime investors, Asian Development Bank (ADB), continuously rescheduled their board meetings. The ADB meetings were to have on their agenda the approval of an investment in the Fund. This meeting delay has had a compound effect on the closing date of the Fund and, also, the confidence of the other investors in the Fund. The issue is to be remedied during the first month of the next quarter. USAID/RAMP has given the Fund a deadline to have everything ready for closing by the end of July. If the deadline is not met, the funds committed to the Fund will be reallocated to the other rural finance activities.

Rural Financial Services
Afghanistan International Bank (AIB)
Life of Project: 22-Aug-04 to 4-July-06
Provinces: Nationwide

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#40-0003-AIB	22 Aug. 2004	Frances Toomey	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$2,000,000	$2,000,000	$2,000,000	$0	$0.00

Project Description: This revolving credit facility through AIB undertakes to extend medium and large sized loans in the range of US$50,000 to $500,000 to entrepreneurs, enterprises and value added processors along the agricultural value chain. These enterprises may already be receiving technical assistance and support through other RAMP implementing partners, and this activity provides the best opportunity to quickly meet an identified credit need and create linkages with other sections of the RAMP program. AIB will be a self-sustaining partner that will have the capacity to continue to provide financial services to agribusinesses beyond the life of the RAMP project.

Expected Results (by end of project):

- Disburse 20 medium to large loans with an average loan size of $100,000
- Portfolio at Risk – average 5%
- Growth of the Agricultural Portfolio through the leveraging of other sources of funds

Accomplishments this Quarter

- Three loans were disbursed during the quarter. A $500,000 working capital loan for Kabul Flour Mill, a $300,000 [out of an approved $500,000] for a raisin processing company and $50,000 for a large farmer located in Andkhoy to purchase three combine machines. Due to the purchase of some bad local wheat, Kabul Flour Mill was provided with an additional $80,000 added to his current loan to import wheat that will be blended with his locally purchased wheat. The raisin processor will drawdown the balance of his loan during the next season for grapes. The farmer will hire out the combines to other agricultural producers to cultivate and harvest their lands.
- AIB took the first important step in opening a branch office in Kandahar. The Business Manager and a representative of the bank's shareholder visited Kandahar in late June to assess the needs for banking services in the province. They received a warm reception in Kandahar and much interest for a local bank from the business people they met.

Challenges Encountered

1) There continues to be a lag time between the identification of a sound borrower and the actual closing of the loan. With each client, we are collectively learning a lesson about the characteristics of the borrowers.
2) As Flag International starts to work closely with the bank, there needs to be better coordination on the responsibility sharing between the institutions. Flag has initiated discussions with AIB about how best to work with the clients to reduce some of the lag time as indicated in #1.
3) The amount of loan funds available for agribusiness will be depleted by the end of July based on the pipeline of deals. RAMP will coordinate with the Afghan Credit Guarantee Facility to either fund and/or guarantee sound agribusiness debt financing deals.

Looking Ahead

The main tasks for the 2nd Quarter of 2005 are:

- Identify a consultant to complete the third party review of the disposition of AIB grant funds.
- Coordinate with other institutions and bi-lateral and multi-lateral donors to leverage the funds available under RAMP for funding agribusiness entrepreneurs beyond the $2M credit facility at AIB.
- Monitor the borrowers who have received loans to determine the impact of the loans.

Project Manager Comments

AIB has been an effective financial partner for RAMP. The bank is very open to coordinating with the donor community to increase the access to credit for agribusinesses. Also, the bank is being proactive about opening bank branches and they are ready to lend from these branches. RAMP wants to focus on increasing the access to credit with AIB through other sources.

Quarterly Report Q2 FY05 **FINAL REPORT**

Rural Financial Services
UNDP - Business Mentoring Program
Life of Project: 4-Nov-04 to 30-Apr-05
Provinces: Nationwide

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#41-0003-UNDP	4 Nov. 2004	Frances Toomey	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$216,094	$0.00	$116,014	$0.00	$100,000

Project Description: The purpose of this Grant is to provide support to implement a Business Mentoring Pilot Program. The program will primarily be a resource for targeted agribusinesses, identified by USAID/RAMP in cooperation with UNDP. The Business Mentoring Program will assist with a variety of activities, including designing an efficient program with a revenue stream; profiling the agribusiness' current depth of skills and needs for additional capacity; and identifying appropriate experts to deliver specific technical assistance. The program will deepen enterprise skills to improve the business' ability to comply with the conditions of the loan/lease.

Expected Results (by end of project):

- Identify potential agribusiness projects along with the RAMP Rural Finance team to receive pre or post finance business development services;
- Serve at least 20 clients;
- Select 3 key personnel to deliver business mentoring services to the customers;
- Design a fee structure for business advisory services to use towards self-sustaining their operations; and
- Set-up office spaces and premises for meeting with customers.

The grant to UNDP was completed during this quarter and a new business advisory services activity was awarded through a Request for Proposal. The new activity will be managed by Flag International.

There was only one month during the quarter that the activity worked. This month primarily consisted of closing out the project. The expected results for the project were completed approximately 80%.

Overall Accomplishments

- Served 28 clients with some business development services.
- 3 key personnel worked on the project during this pilot phase. The expatriate staff was twinned with national staff, who were trained in providing business development services.
- Office space for the Afghanistan Business Center (ABC) was set-up by the team.
- The fee structure for business development services was not fully completed during this pilot phase.

Lessons Learned

As warned by many prior to the project, UNDP proved to be so bureaucratic that a private sector initiative was not highly successful. Although, the project did meet many of their objectives, the pilot phase ended without a renewal. The UN policies and procedures were too much of a burden to untie and meet the needs of entrepreneurs seeking assistance to develop business plans to access the various financing options available to them.

A Request for Proposal for an implementing partner to manage a business advisory service operation was posted in March 2005. UNDP expressed interest in coordinating with this new entity and possibly providing some funding to it. The latter did not materialize although the former is expected to take place as the new implementing partner launches their operations.

Rural Financial Services
Flag International - Business Development Services (BDS)
Life of Project: 1-Jun-05 to 31-Dec-05
Provinces: Nationwide

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#41-0003-FI	1 June 2005	Frances Toomey	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$563,000	$0.00	$0.00	$112,669.63	$450,330.37

Project Description: The purpose of this subcontract is to provide Business Development Services (BDS) to Afghan agribusinesses with the goal of supporting their access to credit in support of RAMP's ongoing projects. The Subcontractor will target small and medium sized agribusinesses along the value chain and offer BDS services to Afghan agribusiness to access loans, leases, equity and post-finance assistance in order to grow their businesses.

Expected Results (by end of project):

- 10 Small to Medium Sized Leases or Loans facilitated (over $10,000 each);
- 2 large Leases or Loans facilitated (over $50,000 each);
- 100 agribusinesses interviewed and screened for assistance, results provided to RAMP;
- 10 marketing or sales linkages developed;
- 25 agribusinesses assisted with pre- or post-finance consulting;
- Training provided to at least 100 entrepreneurs, of whom 50% should be female.

This project was just awarded at the beginning of the second quarter of 2005. There are some accomplishments to date and the project started well as some of the staff members were on the original BDS pilot project at UNDP. Most of the accomplishments were administrative in nature.

Accomplishments this Report

- Interviewed 5 clients and provided technical assistance to 2 clients. The clients were a mix of sectors representing dried fruits, nuts, vegetables, grain and dairy.
- Set-up Flag International's office and guest house including office renovation and procurement of all equipment. The office includes a training center that will accommodate up to 20 participants.
- Developed financial statements training module.
- Coordinated/Linked with Citizen Network for Foreign Affairs (CNFA), Afghanistan Finance Company (AFC), United Nations Development Programme, Afghan Chamber of Commerce and Industry (ACCI), ALP-Badakhshan and On the Frontier (OTF).

Challenges Encountered

None thus far.

Looking Ahead

- Recruit national staff to fill the position(s) of national business development assistants.
- Complete financial record keeping training.
- Conduct training in business plan development for up to 20 entrepreneurs.
- Conduct an investment proposal analysis training for private sector institutions receiving assistance from USAID.

Project Manager Comments

The Flag International BDS program has started without a hitch. The Chief of Party, Bill Mays, is a pleasure to work together with him. Bill is a good communicator, very open and transparent, very cooperative and highly efficient in following RAMP policies and procedures. I envision this project to run very smoothly. The BDS program has already started coordinating closely with the RAMP Agriculture team and we expect fruitful impact from this coordination.

Rural Financial Services
Afghanistan Finance Company (AFC)
Life of Project: 1-Sept-04 to 1-Jul-06
Provinces: Nationwide

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#42-0003-AFC	1 Sept. 2004	Fran Toomey	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$3,500,000	$890,000	$1,890,000	$0	$1,610,000

Project Description: The AFC will be a leasing credit delivery mechanism to fulfill the unmet financing needs of small and medium enterprises (SMEs), specifically in the agricultural sector. The primary aim will be to finance SME activities along the value chains that are receiving support through RAMP funded projects. There is currently very limited lending available to SMEs, especially for agro-businesses. Making leasing available in Afghanistan will not only encourage processing to begin taking place, but will also allow business owners to obtain other types of equipment without having to front the full cost of the equipment. A finance and leasing company will be an integral part of the financial sector continuum in providing access to credit and making equipment available in country for agribusinesses.

Expected Results (by end of project):

- 40 Small to Medium Sized Leases or Loans ($10,000-$50,000)
- 10 large Leases or Loans (over $50,000)
- Lease/Loan Size Range $10,000 - $250,000
- Portfolio at Risk – Average 5% during year 1, average 3% during year 2
- At least $1 million in cumulative disbursements by Year 1
- At least a 20% growth of the Agricultural Portfolio through the Leveraging of Other Sources of Funds

Accomplishments this Report

- Disbursed first lease to a farmer in Ghazni for a tractor.
- Approved four lease agreements for agribusinesses located in Ghazni, Sheboygan and Kabul.
- Interviewed up to 97 clients to-date including visiting clients in Jalalabad, Herat, Ghazni, Kunduz, Mazir-i-Sharif and Jawzjan.
- Expanded personnel to include a female leasing officer and a business development specialist.
- Displayed at the first private sector development exhibition in the Loya Jirga Hall.
- Continued capacity building and training of staff in business plan development, financial statement preparation, marketing, basic office skills and power point presentations.
- Expanded advertising of AFC to Radio Killed and the Afghan Yellow Pages.
- Started coordination meetings with ALP-East and South.

Challenges Encountered

- Development of client files continues to be a challenge due to a lack of adequate financial data.
- Recruitment of a CEO continues. The negotiations with a prime candidate broke down and AFC continues to seek a CEO, even for an interim basis.

Looking Ahead

- Take a pro-active approach in working with the client pipeline to close deals against the targeted results.
- Orix Leasing from Pakistan will begin training of AFC staff in early July.
- An Equipment Specialist will arrive in July for specific training to the AFC staff.
- A CEO is expected to be on-board by August.
- AFC will coordinate with Afghanistan International Bank to share office space in their bank branches planned for Mazar-i-Sharif, Kandahar and Herat.

Project Manager Comments

The finance company has closed their first deals during the quarter. Their infrastructure is firmly in place, clients are becoming familiar with their financial services and AFC' staff is gaining some experience as they begin to interview clients. The main issue with AFC is that they need a dedicated, full-time leader to direct the team and keep everyone on-track. Within the next quarter, AFC will have an interim CEO to fill this void. In addition, the staff will become more polished through trainings offered by Orix Leasing, a well established leasing firm in Pakistan, and, also, technical assistance provided by a seasoned equipment specialist. AFC will aim to have a public relations event in mid-September to celebrate their leasing disbursals to-date and gain more publicity

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Helmand Institution Building and Advisory in Support of Alt. Livelihoods

Development Alternatives, Inc.

Life of Project: 01 November 2004 to 31 October 2005
Provinces: Helmand

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#44-0002-DAI	01 November 2005	John Priest	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,038,000	$78,410.72	$78,410.72	$170,339.21	$789,250

Project Description: This project was designed to realize the chartering at the national level of water user associations (WUAs). The charters are to empower water users with the authority and responsibility to operate, manage, maintain, and rehabilitate canal systems from the farm gate to river intakes while collecting revenues adequate to be self financing. By-laws are to be developed in consultation with the local water user groups so that each group can adapt their chartered operations to harmonize with past practices. DAI has chosen the Marja and Nadi Ali areas of Middle Helmand as the initial areas for introduction of the several models to be developed. It is expected that the models will be transferred to other areas of the country where traditional, rather than government owned systems, are functioning.

Expected Results (by end of project):
1. Development of a charter and modification of laws to permit the chartering of WUAs at the national level.
2. Adoption of the self-financing water user organizational structure by one or more groups of an important canal command.
3. Packaging of the process for transfer to other areas of the country.

Accomplishments this Report

A workshop was held at RAMP for internal review and modification of the work accomplished during the first six months of project work. A draft charter and by laws were reviewed. DAI carried out liaison with several ministries including the Ministry of Energy and Water Resources, Ministry of Agriculture and Animal Husbandry, and the Ministry of Justice.

Looking Ahead

It is expected that laws will be modified and a draft charter will have been adopted at cabinet level.

Project Manager Comments

It is anticipated that the model will be transferred to the north, possibly Baghlan, and to the west in Herat Province.

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Provincial Alternative Livelihoods Program (PALS)

CADG, ICARDA, IFDC, GIA

Life of Project: N/A

Provinces: Helmand, Kandarhar

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#45-0002-CADG, ICARDA, IFDC, GIA	N/A	N/A	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
N/A	N/A	N/A		

Project Description: This initiative increases activities previously directed under job orders #6, 7, 8, 9, 23, 24, and 28 in support of alternative livelihoods.

Expected Results: Please refer to the reports for the respective job orders listed above.

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Alternative Income Project (AIP)

Chemonics International Inc.

Life of Project: November 19, 2004 – November 18, 2005
Provinces: Helmand

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#46-0002-Chemonics International	24-Oct-04	Carol Yee	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$17,930,957.00	$5,500,672.48	$5,998,683.48	$0.00	$11,932,273.52

Project Description: AIP, implemented by Chemonics International in Helmand province, is an integral part of USAID/Kabul's Alternative Livelihoods Strategy for Afghanistan. In close consultation with all levels of the Afghan government, communities and donor agencies, and in support of the larger government of Afghanistan counter-narcotic initiative, AIP efficiently implements community-driven quick impact activities that provide:

1. Immediate cash infusions to communities through labor-intensive activities
2. Economic growth in the community, as a foundation for future economically-viable alternatives to poppy production
3. A strong message that the Government of Afghanistan and donors will assist communities through emergency programs that will lead to sustainable development.

Expected Results (by end of project):

- Generation of 50 days of employment for 50,000 laborers (2,500,000 labor days) through cash-for-work activities.
- Completion of social and enterprise development activities targeting vulnerable populations.

Accomplishments this Quarter

Half way through the second quarter of 2005, AIP suffered three attacks resulting in the death of four employees and seven associated individuals (please see attached security report). Since May 19, Chemonics suspended most of AIP's activities while it worked to enhance its security procedures. However, it is important present the significant accomplishments AIP has made since the last quarterly report.

Cash for Work Activities

AIP has implemented 15 cash-for-work projects in nine districts throughout Helmand. This quarter, AIP generated 582,725 labor-days through cash-for-work activities. Since the project's inception, AIP has generated a total of 1,064,787, 43% of the 2.5 million labor day target.

Location	Activity	Laborers Employed	Status
Darweshan	Canal cleaning	2,000	Complete
Nahri Sarraj	Canal cleaning	1,400	Complete
Kajaki	Drain and canal cleaning	1,000	Complete
Bolan	Drain cleaning	800	Complete
Nad-i-Ali	Drain cleaning	2,000	Temporarily Suspended
Marja	Drain cleaning	3,000	Temporarily Suspended
Darweshan	Drain cleaning	2,000	Temporarily Suspended
Kajaki	Karez cleaning	2,000	Temporarily Suspended
Musa Qala	Karez cleaning	1,000	Temporarily Suspended
Sangin	Road rehabilitation	1,000	Temporarily Suspended
Kajaki	Road rehabilitation	400	Temporarily Suspended
Lashkar Gah	Drain cleaning	400	Discontinued (see security report)
Naw Zad	Karez cleaning	1,400	Temporarily Suspended
Lashkar Gah	Roadside ditch cleaning	200	Temporarily Suspended
Lashkar Gah	Irrigation ditch cleaning	180	Temporarily Suspended
Darweshan	Gabion weaving	28	Temporarily Suspended

Over the past quarter, AIP employed nearly 14,000 workers, and injected $2,442,469 in licit wages into the local economy. Cumulatively, AIP has now distributed $4,175,218 in wages through cash-for-work activities**.**

Social and Enterprise Development Activities

Since April 11, AIP has issued a total of US$584,838 in community development grants for enterprise activities in the Mokhtar IDP Camp, and throughout communities in Nawa-e-Barakzai, Bost, Garmser, Nad-i-Ali, Bolan, and Girishk**.** Those NGOs selected by AIP to be grantees have a proven track record of reaching and positively contributing to the livelihood of women-led households and socially vulnerable groups.

Grantee	Location	Activities
INTERSOS $250,000 Grant Value	Mokhtar IDP Camp (population: 30,000).	**Vocational training:** basic and advanced courses in tailoring, tractor repair, motorbike repair, carpentry, baking, masonry and radio repair. **Non-Formal Education (social support):** Recreational activities, health and hygiene, child to child network activities, peace education, drug awareness, peace education, and English.
Mercy Corps International $84,838 Grant Value	Nawa-e-Barkaki, Bost, and Garmser	**Vocational training:** vegetable gardening, poultry management and food processing **Agriculture campaigns:** Production and broadcast of best practice bimonthly 'Women in Agriculture' radio programs.
Voluntary Association for the Rehabilitation of Afghanistan (VARA) $250,000 Grant Value	Nad-i-Ali, Bolan and Girishk	**Vocational Training:** poultry raising and tailoring **Women's Community Centers:** Construction of new facilities in Nad-i-Ali and Grishk to house vocational and literacy trainings, community meetings, and vaccination campaigns.

Due to the suspension, the grantees have only been able to carry out work on a limited basis. INTERSOS has enrolled 87 participants in motorbike repair, carpentry, masonry and tailoring courses. Mercy Corps has established 10 poultry training groups in 10 communities, enrolling a total of 132 women in training courses. Mercy Corps has also been able to safely move forward on producing agricultural-focused radio programs. Activities under VARA's grant have not yet begun.

Challenges Encountered and Remedial Actions Taken

See security section.

Looking Ahead

Over the next quarter, AIP will carry out the following activities:

- Safely distribute $902,515 in wages due to laborers on suspended cash-for-work activities
- Implement newly enhance security platform
- Relocate AIP office to more secure location
- Resume cash for work activities with enhanced security measures in place
- Continue and build upon community development grant activities

Security

During this quarter, AIP suffered the following three attacks, resulting in the temporary suspension of most activities. AIP immediately evacuated most staff from Lashkar Gah, and began consultations with USAID and Security Service Providers to design the best means to safely continue work in the region.

- **IED**
  May 17, 2005 – Garmser District, Helmand
  A remotely detonated IED damaged the lead escort vehicle of a payroll delivery convoy, 27 km south of Garmser. The three-vehicle convoy was proceeding along the irrigation access road towards an AIP project site. No casualties.

- **Shooting**
  May 18, 2005 – Lashkar Gah District, Helmand
  An AIP vehicle was attacked by armed assailants, while returning from a survey of drain sites in the community of Babaji. Five individuals were shot and killed – two AIP employees, one HAVA employee, one rental car driver, and one armed police escort.

- **RPG attack and shooting**
  May 19, 2005 – Qalat District, Zabol
  An AIP vehicle was ambushed near Spina Ghabarga, traveling north on the main highway in Zabol Province. The vehicle was carrying to Kabul the body of Moin Khair Muhammad Khan who was killed in the previous day's attack. The vehicle was stopped when hit by an RPG. Subsequently, six individuals in the vehicle were shot and killed by small arms fire – two AIP employees, two friends/family members of Moin Khair Muhammad Khan, and two rental car drivers.

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Nangarhar Emergency Seed Wheat and Fertilizer Distribution Program

Social and Technical Association for Afghanistan Rehabilitation
Life of Project: December 4, 2004 – June 30, 2005
Provinces: Nangarhar

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#48-0004- IFHOPE, RSSA, STAAR, GAA, RDRO, ICARDA, Relief International	4-Dec-04	Naqib Ahmad	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$554,142.16	$17,187	$541,922.01	$10,804.09	$1,416

Project Description: This action arose mainly as a result of the US Mission to Afghanistan, responding to a request by the Governor of Nangarhar Province for help to encourage farmers to start cultivating licit crops in lieu of illicit crops (opium poppy). In order to respond, therefore, the US Mission is launching an emergency distribution program of seed wheat and fertilizer in 23 districts of Nangarhar Province.

In response to a request from the Governor of Nangarhar and the Minister of Rural Rehabilitation and Development, the U.S. Ambassador to Afghanistan, Dr. Zalmay Khalilzad mobilized the U.S. Agency for International Development (USAID) and the U.S. Department of Agriculture (USDA) to organize the distribution of 490 MT of wheat seed and 1,478MT of fertilizer to Afghan farmers in all 23 districts of Nangarhar.

The wheat and fertilizer distribution campaign is just one part of a broader, anti-poppy initiative to ensure alternative livelihoods for Afghan farming families. The effort is coordinated by the USAID funded Rebuilding Agricultural Markets Program, as implemented by Chemonics International. RAMP is the largest agricultural development initiative in Afghanistan.

Key Accomplishments during Reporting Period

The average production for wheat as reported by the Implementing Partners ranged from 2.4 to 3.8 metric tons per hectare.

Name of IP	# of Farmers received the seed	Land cultivated (hectares)	Total wheat seed distributed (MT)	Total fertilizer distributed (MT)		Average Production Kg/Jerib* (mt/hectare)	Total Production (MT)
				DAP	Urea		
Relief International	10792	2158	269.8	269.8	539.6	720 (3.6)	7772
ICARDA	1718	344	43	43	86	640 (3.2)	1100
RDRO	1700	340	42.5	42.5	85	525 (2.6)	892
GAA	1560	312	39	39	78	617 (3.8)	963
STAAR	1284	258	32.2	32.2	64.4	499 (2.5)	640
RSSA	840	160	21	21	41	490 (2.4)	392
IFHOPE	1680	336	42	42	84	577 (2.9)	970
Total	**19,574**	**3,908**	**489.5**	**489.5**	**978**		**12,729**

* One jerib is 0.2 hectare

Challenges Encountered and Remedial Action Taken

- During data collection and surveying some farmers were not present in villages, they were gone for work
- In some villages, the farmers redistributed the specified amount of wheat (25kg) due to their traditional regulations
- Some of the villages are so far away and either have no road or only a poor road to carry their necessary items by donkey

Project Manager Comments

- The farmers were, generally, pleased and asked for more programs such as this one. Most of the farmers are very poor and are unable to find and purchase improved seed and fertilizer.
- The distribution program proved very useful for all farmers especially for those farmers whose poppy was eradicated by the Government.
- If such a program is repeated, it should be on time. This year most of the fields were already sown with wheat and other crops while the seed and fertilizer was being distributed.
- This program played a significant role in reducing and eradicating poppy

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Locust and Sunn pest Control Control Program, Northern Afghanistan

Food and Agriculture Organization (FAO)

Life of Project: March 11, 2005 – Feb 26, 2006
Project Sites: Northern Afghanistan

Job Order No.	*Date of Award*	*Project Manager*	*USAID CTO*	*USAID CO*
JO#50-0004-FAO	March 1, 2005	Abdul Samad Nazari	Dan Miller	Kyle Newkirk
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$1,470,000	$1,227,089	$1,227,089	$0.00	$242,911

Project Description: FAO locust and Sunn pest emergency control program
Expected Results (by end of project): Approximately 200,000 families and 1.3 million families woukl benfit from the locust control and Sunn pest control programs.
Capacity Building
Enhanced Livelihood – To safeguard the food security and stability of the target provinces by ensuring that locusts and Sunn pest do not cause disastrous losses of wheat and other crops in these provinces during 2005.

Key Accomplishments this Report

The Emergency Locust and Sunn pest Control Program was implemented and coordinated by the FAO, the Plant Protection and Quarantine Department of the MAAHF, and the Provincial Agricultural Departments.

Emergency Locust Control Program

- The Program was successful at controlling the locust population at an early stage in the locust life cycle and in the provinces of Baghlan, Samangan, Balkh, and Kunduz.
- One thousand hand held sprayers were used by the teams of local people, recruited and trained by Program organizers and supported by the local communities. All chemicals used in the control program were provided to the program by other donors than the US. The consignment of Diflubenzuron (an insect growth regulator) was successfully delivered on March 2nd and the Deltamethrin (a fast-acting pyrethroid) was delivered on May 5th.
- Hatching of locusts was confirmed in Kunduz on March 13th and in Balkh on March 20th. However, a spell of cold weather slowed down locust development by about two weeks. Hatchlings remained in the first instar for at least two weeks at one site, and hatching resumed about March 23rd.
- Locust control operations started on March 25th in Kunduz, Baghlan, Samangan and Balkh provinces. Except where hoppers were next to crops, treatment was with Diflubenzuron.
- Overall, the greater part of the locust population was treated during the first instar.
- Late instar bands that appeared from undetected egg beds were controlled as they were discovered
- Adult locusts that were observed in all affected provinces were controlled with Deltamethrin
- By May 12th most major infested areas were cleared. The area where locusts were controlled was as follows:

Province	Locust Control - March	Locust Control - April	Locust Control – May	Locust Control - Total
	(in hectares)	**(in hectares)**	**(in hectares)**	**(in hectares)**
Baghlan	3 238	18 450	2 783	**24 471**
Balkh	6 795	28 990	11 618	**47,403**
Kunduz	4 979	19 470	1 652	**26 101**
Samangan	1 063	16 354	1 697	**19 114**
Total	**15 175**	**83 264**	**17 750**	**117 089**

Note: Preliminary results, as late reports from Kunduz have not been included

- Among other items, a total of 12,065 liters of Diflubenzuron and 19,250 liters of Deltamethrin and 1,357 ULV sprayers were used in the four provinces for the emergency control program.
- The follow-up egg-laying survey for identifying locust oviposition sites was conducted and the results are being analyzed.

Emergency Sunn pest Control Program

- In early April, training of Sunn pest organisers was carried out in Shiberghan for Jowzjan and Sar-i-Pul, and in Maimena for Faryab. The Shiberghan course was also attended by MAAHF and CADG organizers from the RAMP-funded, Sunn pest control project in Helmand
- As surveys were being conducted, large numbers of Sunn pest (*Dolycoris*) were observed migrating from their overwintering sites into the most affected areas of Faryab, Sar-i-pul, Jowzjan, Balkh provinces.
- By May 12th, the survey of the breeding areas was completed and the village leaders were visited by the program organisers to discuss the program. 54 Extension workers and surveyors were trained in mechanical control with nets and chemical control using ULV sprayers. The extension workers and surveyors then trained the local farmers.
- Among other items, over 38,000 nets for catching Sunn pest, 19,400 liters of Deltamethrin (from sources other than the US), and 2,185 ULV sprayers for chemical control were made available for use in the Program.

Province	Jowzjan	Sar-i-Pul	Faryab	Herat	Balkh	Total
ULV	60	200	1 000	300	625	**2,185**
Deltamethrin	2 700	3 700	9 000	4 000		**19 400**
Nets	6 000	5 000	17 000	10 000	675	**38 675**

- Nymphs and young adults that were observed attacking wheat at low altitudes in Jowzjan and Faryab provinces were controlled with nets.
- The major influx of Sunn pest appears to have taken place between May 14th and May 21st when the Program was using nets and chemicals for controlling the Sunn pest.
- In May, a survey of the Sunn pest infestation in Herat and the control program with nets took place. By June, the Sunn pest control activities were completed.
- The Sunn pest control program was unable to reach many remote areas of the targeted districts and the nets were not as effective as expected because of heavy infestation of Sunn pests in many areas.

Looking Ahead

Locust Control Program

- Results of the egg-laying survey will be analyzed and reported
- The overall impact of the program in terms of the number of beneficiaries and wheat saved due to the locust control program will be estimated.
- Since the locust population was reduced to very low levels, it is anticipated that a small-scale, well-organized locust control program by the Provincial offices and the Plant Protection Department of the MAAHF be organized. This will take considerable planning by the Government.

Sunn pest Control Program

- Total Sunn pest area controlled and the results of the Sunn pest control program on wheat quality and harvest will be estimated
- Mechanical methods for controlling the Sunn pest before and during the overwintering period will be discussed
- Follow-up work to operationalize the strategy for an integrated pest management program will be discussed

Challenges Encountered

Locust Control Program

- Despite direct instructions both from the Minister and the Governor, local authorities in Baghlan again interfered with the locust control campaign in an attempt to gain control of the money being used to hire vehicles. This delayed the control operations in this province by some days. With the support of UNAMA, the difficulties were overcome.
- There was a clear difference between those areas that were treated with Diflubenzuron and remained free from locusts and those which were treated with Deltamethrin, where residual bands persisted or re-infested. Even more emphasis will be put on controlling the locust (with Diflubenzuron) at the first stages of growth.
- In May in Kunduz, some flying adults were found attacking crops. A survey mission for the suspected source was able to find a relatively remote, undetected area where the locust bred and migrated to the fields. Control measures were employed and the coordinates of this source of locusts were recorded and included on the egg-laying survey.

Sunn pest Control Program

- Even though the farmers were encouraged to use mechanical control with nets, most of the farmers did not use them because it is labor intensive and hard work and the results are not as dramatic as with chemical control.
- The quantity of pesticide allotted to each province/district was insufficient to cover the significant area infested with Sunn pest.
- There was some difficulties in accessing transportation facilities by some of the extension workers/surveyors.
- The national plant protection specialist hired had insufficient education and plant protection experience.

Project Manager Comments

- Overall, the Program was able to assist farmers in controlling a significant, but only modest percentage of the Sunn pest problem. The Sunn pest population remains high in the northwestern provinces of Faryab, Jowzjan, Sar-i-Pul, Herat, and Badghis.
- By all accounts from the agricultural department/FAO extension workers and farmers interviewed, more support and assistance are required to help local community farmers in emergency Sunn pest control measures in the coming year.
- The approach FAO applied for Sunn pest control was not sufficient to address the resource (inputs, transportation, capacity of the organizers, etc.) needs of the Sunn pest problem areas.
- A very well organized and complete emergency Sunn pest control program based on lessons learned needs to be in place by the end of the next quarter.

Institutional Capacity Building for the Ministry of Agriculture

RAMP/Chemonics International
Life of Project: July 2005 to July-06
Provinces: Nationwide

Job Order No.	***Date of Award***	***Project Manager***	***USAID CTO***	***USAID CO***
JO#51-0005-RAMP	March 2, 2005	Louis Faoro	Dan Miller	Margaret Kline
Ceiling Price	***Quarter Expenditures***	***Cumulative Expenditures***	***Accruals to Date***	***Balance***
$878,994	$0.00	$0.00	$0.00	$878,994

Project Description: Build Ministry of Agriculture institutional capacity through the provision of expert advisory services and facilities to support advisors.

Since 2002, numerous development agencies have become involved in the agricultural and natural resource management sectors of the Afghanistan economy through the Ministry of Agriculture. However, after 25 years of conflict, the Ministry lacked the capacity to develop appropriate policies, strategies and programs and was unable to attract direct donor funding. The Ministry was also unable to secure consistent access to highly qualified advisors who could facilitate policy formulation and strategic planning and to assist the technical departments in setting in motion national policies and programs. Despite the development of an overall agriculture and natural resource management strategic policy framework in late 2003, many Ministry functions were not able to be responsive to the vision and direction needed for rebuilding the agricultural sector. There was also a lack of clarity regarding the appropriate role for the Ministry in responding to the needs of Afghan farmers as the country sought to rebuild the agriculture sector.

Minister Ramin greeting development partners of the Ministry of Agriculture

Since the Presidential Election of October 2004 and the establishment of a new Cabinet, the situation has improved. What was formerly known as the Department of Food has been moved into the Ministry of Agriculture forming the Ministry of Agriculture, Animal Husbandry and Food (MAAHF). The newly appointed Minister of Agriculture, Obaidullah Ramin, brings with him a fresh focus on the private sector from his background as the Chairman of the Afghanistan Chamber of Commerce and the Chairman of the Industries and Commerce organization. He quickly undertook a number of new initiatives to bring about positive change within the Ministry and has engaged in productive dialogues with donor agencies and development partners to outline his development vision and goals for the future of the agriculture sector.

In response to a request from His Excellency Minister Ramin, USAID, through its Rebuilding Agricultural Markets Program (RAMP) and utilization of an existing technical assistance mechanism with the U.S. Department of Agriculture (USDA), moved quickly to create an ***Institutional Capacity Building Program*** to facilitate his goals for the MAAHF. USAID is providing a cadre of senior advisors and technical specialists to work closely with the Minister to develop a Master Plan for the agriculture sector and to prepare a long-term development strategy. Furthermore, the team will assist the Ministry to enhance opportunities to rebuild the agriculture sector by addressing key policy, institutional and organizational constraints that impede market-led growth in agriculture and the sustainable use of natural resources. Other key donors such as the Asian Development Bank (ADB), the U.K.'s Department For International Development (DFID), the European Union, the United Nations Food and Agriculture Organization (FAO), and USDA have also responded to the Minister's request and with USAID, have formed an effective, collaborative team working with the MAAHF.

Restructuring the Ministry of Agriculture and accelerating agricultural sector growth is a huge challenge. Afghanistan cannot simply rebuild its agricultural economy but must construct a growth-oriented, private-sector led, market-driven agriculture sector capable of meeting food requirements, providing broad-based employment and income earning opportunities, while at the same time

sustaining the natural resource base. Under Minister Ramin's leadership and with the support of the international donor community, Afghanistan should be able to develop a dynamic agricultural economy that capitalizes on the opportunities offered by the globalization of markets and new technology developments. With improved availability of modern technologies and rehabilitated rural infrastructure, Afghan farmers can meet food sufficiency requirements and produce more high-value crops. With enhanced business skills and linkages to markets, Afghan farmers, service providers, and businessmen can also meet the growing demand for high-value commodities and processed products, thus earning more income and galvanizing rural economic growth. This kind of growth should eventually replace much of the opium-poppy dominance of the rural economy.

Security Report

Chemonics International has been implementing projects in Afghanistan for USAID since July 2002. This is the first security report that has been necessary for any of the following programs:

- **Afghanistan Quick Impact Projects (AQIP): July 2002 – July 2003**
  46,362 person days of employment generated for Afghan workers
  53,531 households benefiting from individual projects
- **Rebuilding Agricultural Markets Program (RAMP): July 2003 – July 2006**
  1,551,699 person days of employment generated for Afghan workers
- **Alternative Incomes Project (AIP) – November 2004 – November 2005**
  847,622 person days of employment generated for Afghan workers
- **Alternative Livelihoods Project (ALP) – February 2005 – February 2009**

IED ATTACK ON AIP PAYROLL CONVOY – Helmand

2 security escort vehicles, 1 AIP payroll staff vehicle, 1 guide car
Approx. Time and Date: 0900 17 May 2005
Location: 27km south of Garmser on the irrigation canal access road.
Casualties: None

A payroll delivery convoy consisting of one Toyota Saracha guide vehicle, two pick up trucks - each with 4 armed security police, one Land Rover with AIP staff and payroll were proceeding along the irrigation access road toward the project site. A roadside IED was remotely detonated as the convoy passed, damaging the lead security escort truck. After the explosion, AIP security personnel secured the site and perimeter and arrested 17 individuals in the area. The 17 detainees were transferred to the Garmser police department. All were subsequently released.

The vehicle damaged by the explosion was towed back to Lashkar Gah by AIP vehicles.

Garmser police reported that they arrested Mullah Salam of Koshti Village, Darweshan district. He is a member of the Taraki tribe of Kuchi. He was an intelligence officer for the Taleban. Tribal elders came forward to declare that Mullah Salam was a good man, and the police released him. He is now in Pakistan

SHOOTING ATTACK ON AIP SURVEY TEAM – Helmand

1 vehicle, 1 armed security escort
Approx. Time and Date: 13:30, 18 May 2005
Location: Babaji District, approx. 15 km north of Lashkar Gah, Helmand – returning from lunch at the site of irrigation drains in the area.
Casualties: 5 dead

- **Mian Khair Muhammad Khan: AIP Monitoring and Evaluation Manager**
- **Abdul Qader Khan Zaki: AIP M&E Assistant**
- **Feda Muhammad Khan: Driver**
- **Mohammad Nader Khan: HAVA Engineer**
- **Noor Ahmad Khan: Bolan Police, security escort**

An AIP team of 4 people was returning from lunch to the project site when, according to local witnesses, 3 motorcycles each carrying 2 armed men approached. The police escort escaped the vehicle and fired upon the attackers until he ran out of ammunition. The attackers shot the remaining four occupants through the legs to prevent them running and proceeded to hunt the police escort officer. He was found approximately 100 yards away from the vehicle, shot through the elbow and chest.

The attackers returned to the remaining passengers and shot them. Most died immediately, except the driver, who survived for about ½ hour after the shooting. None of the contents of the vehicle were disturbed, including a camera and GPS unit.

No arrests have been made although the list of suspects includes known Taleban leaders from Washer, Kajuki and Babaji. All suspects are either hiding in the Washer Mountains or in Pakistan.

SHOOTING ATTACK ON VEHICLE CARRYING BODY OF AIP STAFF MEMBER TO KABUL FOR BURIAL - Zabul

1 AIP Vehicle, 1 security escort vehicle
Approx. Time and Date: 04:00 hours, 19 May 2005
Location: Qalat District
Casualties: 6 dead.

- **Noor Hassan: AIP Site Manager**
- **Mohammad Ehsan Ataee: AIP Facilities Manager**
- **Abdul Khaliq: Driver**
- **Mohammad Yacoub: Driver**
- **Mia Jan: Relative of the deceased – Mian Khair Muhammad Khan**
- **Hayatullah: Relative of the deceased – Mian Khair Muhammad Khan**

According to Islamic practice and tradition in Afghanistan, the family of one of the victims of the May 18 attack, Mian Khair Mohammad, insisted on bringing the body to Kabul for immediate burial. The group escorting the body to Kabul was advised to wait until a security escort was arranged. The escort consisted of one vehicle with 3 armed personnel and one driver to accompany the vehicle bearing Mian Khair Mohammad's body. The security escort arrived at the AIP office in Lashkar Gah at approximately 21:00 hours and the two vehicles left Lashkar Gah at approximately 21:30 hours.

As the vehicle passed through Kandahar, the security escort turned back to Lashkar Gah. The funeral vehicle proceeded north without escort.

As the funeral vehicle approached a bridge under construction near Spina Ghabarga, Qalat district, an RPG was fired at the back of the truck, causing some damage. When the driver stopped to examine the damage, he was approached and questioned by a villager. The villager was told that this was a vehicle delivering a body to Kabul. The villager retreated and the assailants approached the truck. The driver was shot in his seat and the remaining occupants were taken from the truck, moved down the bridge embankment and executed – shot through the head and back.

The assailants then broke open the casket and removed money that had been placed on the person of the deceased by AIP staff in Lashkar Gah. Then, approximately 165 rounds were fired into the vehicle.

Local authorities reported that a Taleban cell in Zabul associated with Mullah Ahmad Shah and his cousin Mullah Shahzada were contacted by telephone from Lashkar Gah by a Helmand Taleban cell and given details of the proposed movement of Mian Khair Mohammad's body.

Current Summary

The security situation in the Helmand as a whole gives cause for concern. The number of incidents is up on last year and from being what was perceived as a quiet transit route from Kandahar to safe havens in Ghor (for the Taleban) the Province has now become an active part of the ongoing guerrilla war in the south.

When the anti-government elements (AGEs) engage coalition forces in open warfare they are, without doubt, coming off second best time and time again. Recent clashes over the last 30 to 40 days have seen them loose between 30 to 40 men in northern districts of the Province- a high rate of attrition. There have also been several arrests, not least the perpetrators of the Babaji attacks- who have been handed over to coalition forces for questioning.

There is a downside to these coalition successes, which is that AGEs in the area may well switch their activities to softer targets including NGOs. This is of direct concern to AIP and matters are in hand to address this. Though since the attacks on AIP in May there have been no further attacks on NGOs in the Province.

Lashkar Gah
The city and its environs are perceived by all as a safe place to live and work. There have been no incidents of note in the town and AIP staff members have recently moved out of the PRT and back into a project guest houses.

The most recent incident to occur was the murder of Molawi Salih Mhd., the senior cleric for the Province. Though this was widely reported as having taken place inside Lashkar Gah, it actually took place in a village some 4kms outside the city. Initial reports theorized that he was killed as part of a feud, but later reports placed the blame squarely on the Taleban. The motive would seem to be that during the Taleban time the Molawi was a senior Taleban cleric and they took umbrage at his shift of loyalty to the new regime.

Cash for Work Projects
Currently all projects are still suspended in the aftermath of the May incidents.

The settling of the outstanding wages bill is nearly complete and has been achieved by a combination of field trips (with full PRT support) and distribution from the projects offices in the HAVA building in central Lashkar Gah. These payouts were made using the locally hired guard force as immediate protection and the promise of PRT QRF support if there was any trouble. At no time during any payouts in the field or in the office was there any cause for concern.

At the time of writing the proposed trip to Kajaki and Musa Qala has just been cancelled. The field engineer from Musa Qala has arrived with the disturbing news that the workers from those two northern districts are proposing to come to the Governors office to hand in a petition demanding that AIP pay them the wages due. They were threatening to block the karezes in protest. It was decided by the DCOP and Security Manager that they be invited to the HAVA building to receive their pay.

Field projects could restart without a worry; it is felt that there is negligible risk to the field workers (remembering that Afghanistan, even without terrorism is a dangerous place by Western standards with banditry and feuding as a normal way of life) and that they would be able to resume normal work.

Risk and Risk Mitigation
The primary risk lies in visits from the office to the field by expatriates and local staff; however this risk can be reduced substantially by the provision of sufficient escorts. It is considered unlikely that the attack in Babaji would have followed the same lines had the escort comprised of 8 to 15 men.

All staff have been made aware that there are types of incidents where little can be done to mitigate the risk. IEDs are a case in point which we are attempting to counter with the provision of body armor and ballistic blankets for the inside of the vehicles.

Another type of incident where little can be done is the “cowboy shoot.” In this kind of incident someone opens fire from behind cover, firing a whole magazine with little regard to what is hit, and then sprints away before the target of the shoot can react. It does not matter if one is escorted by one or twenty guards. The PRT has been subjected to several of these shoots in the last couple of months. The provision of body armor (and helmets for those who want them) will ensure some protection against this kind of incident.